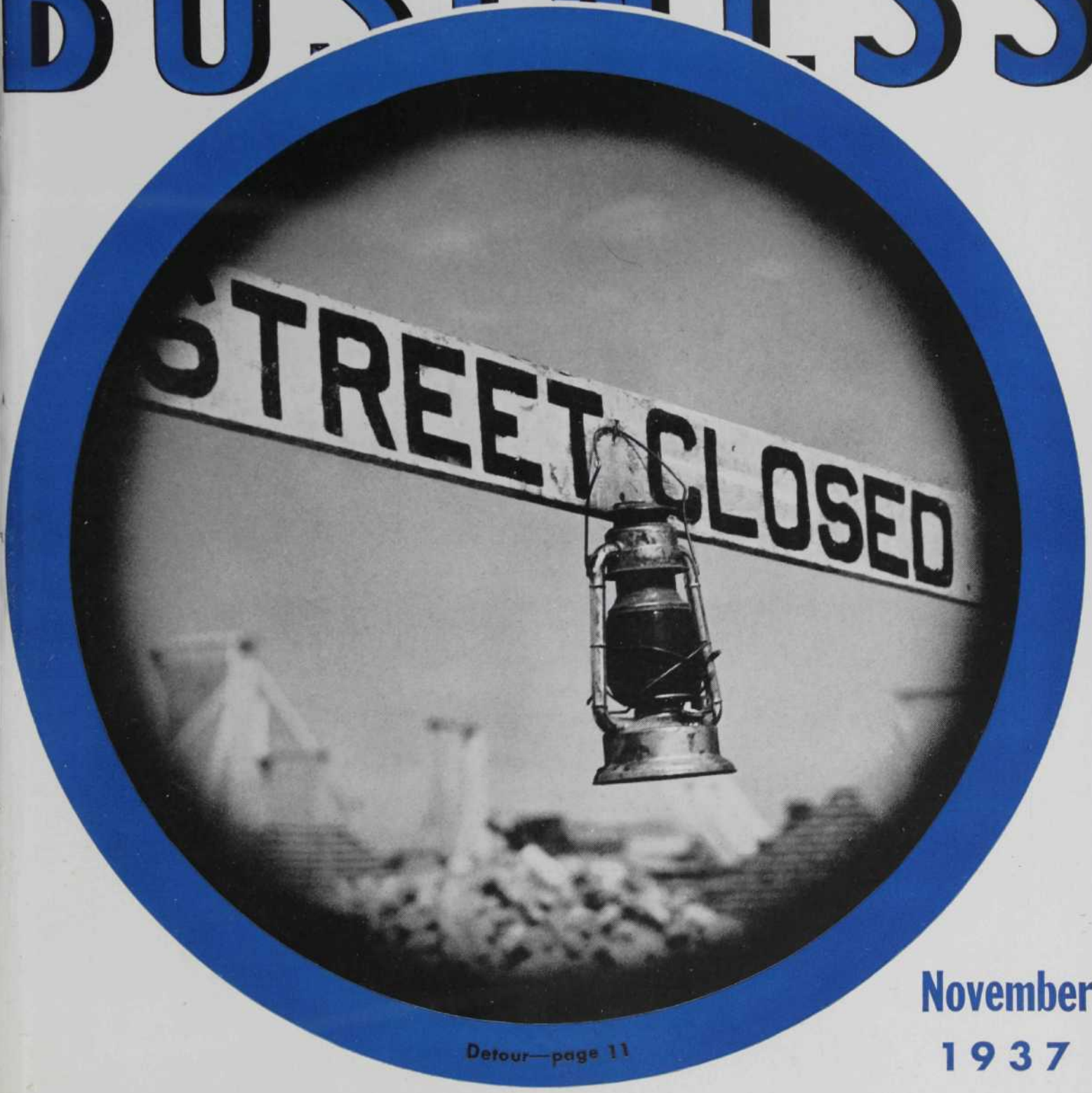
NATION'S BUSINESS



Detour—page 11

November
1937

The Lengthening Shadows of Two Men • The Miller-Tydings Law and Prices •
Where Are Automobiles Going? • The Check-Off as a Labor Weapon



DO YOU WANT THE RIGHT ANSWER *right now?*

PICK UP your telephone and ask for Long Distance. The whole world of business is at the other end. In approximately a minute and a half (average) you can talk to any one anywhere in the country.

The accelerating pace of business makes minutes more valuable, puts a premium on quick, correct information. Will the buyer be in when you reach Chicago? Can the factory fill from stock or start production? When will the shipment arrive?

Get the facts, discuss details, make decisions, and be free for other affairs. It *pays.* Try it!



TELEPHONE— *to save days and dollars*

News of Plymouth's Great New 1938 Car

IT'S AN EXCITING CAR TO SEE..TO DRIVE..NEW RICHNESS OUTSIDE AND INSIDE..NEW COMFORTS AND DRIVING EASE..MORE VISION..AMAZING VALUE!

PLYMOUTH'S STORY

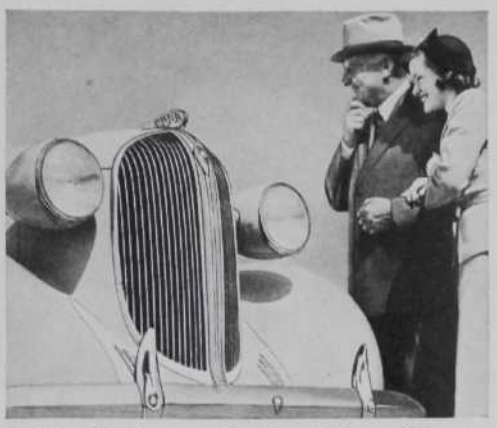
The new 1938 Plymouth celebrates a really outstanding record!

10 years ago Plymouth was introduced. People found it had *more* beauty, safety, economy. They *bought* by the *thousands.*

No car has ever risen *so fast!*

The 10th-year Plymouth is here ...the greatest car we've built. Be sure to see it... *and drive it!*

AMAZINGLY EASY TO OWN. The Commercial Credit Company offers very low terms through Dodge, De Soto and Chrysler dealers. Tune in Major Bowes' Amateur Hour, Columbia Network, Thursdays, 9 to 10 P. M., E. S. T.



1 **Step Up Close and Look** at this beautiful, new 1938 Plymouth! The radiator is new in contour ...look at that long hood! Headlights are larger.



2 **See How Easy** it is to adjust the front seat. It *rises* as it moves forward.



3 **This is News, Too!** Instruments are easier to read... and the hand-brake is out of the floor and under the panel.



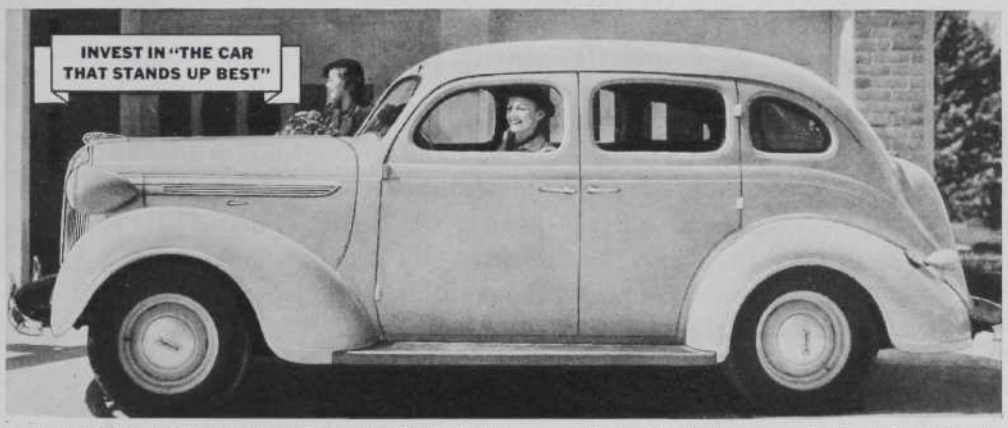
4 **Stretch Out!** Enjoy the greater elbow room, head room and leg room. The whole car "floats" on Amola steel springs, with airplane-type shock-absorbers and live rubber body mountings.



5 **Hear a Watch**—Plymouth is sound-proofed like a radio studio!



6 **Look at the Trunk!** Besides the tremendous extra room, it is fabric-lined!



7 **Isn't it a Beauty? The New 1938 Plymouth!** The *only* low-priced car with Floating Power engine mountings...*double-action* hydraulic brakes ...an all-steel body. Go see and drive *"the car that stands up best!"* PLYMOUTH DIVISION OF CHRYSLER CORPORATION, Detroit, Michigan.

PLYMOUTH BUILDS GREAT CARS

See the 1938 Plymouth

Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States. Publication Office, Washington, D. C. Editorial, Advertising and Circulation Offices, 1615 H Street, N. W., Washington, D. C. Subscription price $3.00 one year; $7.50 three years; 25 cents a copy. Entered as second-class matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879.

Beyond the Executive Horizon



2070 local aids to increased production

As you scan main office production totals, remember this: plant machines write the figures, and those machines need oil.

Texaco has put plant lubricants within easy reach everywhere. Truck delivery from 2070 Texaco bulk plants is on call by 'phone. And the help of Texaco's trained lubrication engineers often leads to substantial increases in factory output. Call

THE TEXAS COMPANY in 48 States.

TEXACO

REG. T. M.



Bread, Butter, and Jam for 13,000,000 People

ARE you one of these 13,000,000 people? Does the income which supports you come from making or selling automobiles, radios, electric refrigerators, or movie films? If so, you are one of them. You are one if that income comes from the rayon or aluminum industry, or any of the other industries which have grown up in a single generation.

Automobiles, radios, gasoline, aluminum—these and many other products exist today because industry sought new products and better ways of building old ones. And after unearthing these new products, industry developed them, found ways to build them better, means to sell them at lower prices.

Today, these industries not only employ millions but—through demands for steel, coal, cotton, transportation—they help support millions more.

Some of the greatest advances in this work have been made through the use of electricity. Through it new products have been developed, and the efficiency of all industries has been increased. In most of these modern electrical developments, General Electric research and engineering have pioneered.

G-E research has saved the public from ten to one hundred dollars for every dollar it has earned for General Electric

GENERAL ELECTRIC

90-8H2

LISTEN TO THE G-E HOUR OF CHARM, MONDAYS, 9:30 P.M., E.S.T., NBC RED NETWORK

"Licking THE WORST TRUCKING CONDITIONS in the World"

Here in vivid description is what an old-timer in the oil fields thinks about INTERNATIONAL TRUCKS. He writes as follows:

"For years I have read your ads about 'Internationals' and they don't begin to tell the story. You fellows should make a trip down here to see what it is all about. Most of the oil wells here are located in the swampy lowlands, in black, sticky gumbo mud. Big, heavy machinery must be brought to the well locations. Boys, unless you see this it is hard to believe. Sometimes it takes three to four hours to make two to three miles. You should see your big Internationals take on the job. Make a few feet, back up, and hit it again. Tear into it. To stop means your truck and load will sink. Boys, this is a fight you should see. You have a truck that asks no odds, only the gas.

"Now all I ask of you fellows is to get a bit louder and tell the world you have the champion of trucks—a truck that doesn't know the meaning of the word 'quit.' Now my friends, all this is coming from a bystander with years of experience with trucks—including eighteen months with the transport in France, where I thought we had tough going. But this place has shell holes licked a mile, and your Internationals are licking the worst trucking conditions in the world.

"No offense is meant by this little panning; I had to get it off my chest. I am simply a friend and rooter for what I think is *the finest piece of machinery with wheels on it.*"

* * *

Mr. TRUCK OWNER—there is a splendid new complete line of International Trucks on the market now—*new* in external beauty, *new* in engineering throughout. A line of ALL-TRUCK trucks—26 models in 79 wheelbases—from Half-Ton to powerful Six-Wheelers. See the new Internationals at any International dealer or branch showroom.

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International Dual-Drive Six-Wheeler heading into the oil field with draw-works, a giant winch used in handling drill pipe. Total gross load approximately 53,000 pounds. Huge boilers, oil-field engines, oil-well drums and winches and other heavy apparatus must be hauled into roadless territory.

QUESTIONS our readers are asking:

1 • EVERYBODY agrees that courtesy is necessary in business but how can I train my people to use it?
. . . . . ANSWER ON PAGE 19

2 • WHAT is the Miller-Tydings Act all about, anyhow, and what can I expect from it? . . . . . ON PAGE 20

3 • IS the assumption that the Miller-Tydings Act will mean higher prices justified? . . . . . ON PAGE 22

4 • IF the Government is to support all those who need it, who is going to support the Government? ON PAGE 29

5 • IS it really true that foreign automobiles are far finer and more efficient than those built in this country?
. . . . . ON PAGE 31

6 • WHAT sort of regulation could do the job NRA tried to do? . . ON PAGE 33

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. . . . . ON PAGE 36

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NATION'S BUSINESS • CHAMBER OF COMMERCE OF THE UNITED STATES

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BUSINESS the world over has adopted Monroe machines, because they produce the greatest number of accurate figures at the lowest cost. And Monroe operators are enthusiasts because the famous "Velvet Touch" keyboard takes the strain and fatigue out of the day's work. Send coupon for further information.





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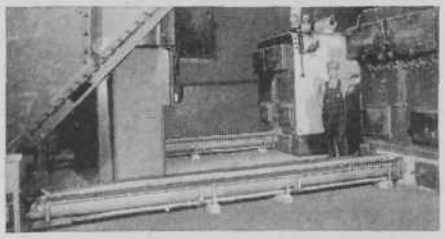


R. H. Hollywood.

Fuel savings are adding up fast at the Odd Fellow Building, Indianapolis, with Iron Fireman automatic coal burners on the job. R. H. Hollywood, Building Manager, replaced purchased steam with Iron Fireman stokers in 1936. In just one heating season fuel costs tumbled from $4346.10 (3 year average with city steam) to $1882.08 —a saving of $2464.02 or 56%. These savings, in a period of three years, will be sufficient to pay the cost of the entire heating plant, which includes boilers, stokers and steel bunkers.

What can Iron Fireman firing save you?

It's easy to find out. Your Iron Fireman dealer will gladly make a survey of your building, factory or home, contrasting your present firing conditions and fuel costs with the improved conditions and savings that an Iron Fireman can effect. This service is free and involves no obligation. It will give you facts and figures on which to base a decision. If you want better heat or power for less money, ask for this survey, or write to 3013 W. 106th St., Cleveland, for literature. Iron Fireman Mfg. Co., Portland, Oregon; Cleveland; Toronto. Dealers everywhere. Hopper and Bunker-feed models for boilers developing up to 500 h.p. Convenient terms of payment.



Modern boiler room at Odd Fellow Building. Coal is fed direct from bunker to fire by Iron Fireman *Powerom* stokers.

IRON FIREMAN
AUTOMATIC COAL BURNER

Through the EDITOR'S SPECS

Why did they die?

A READER sends in a list of 73 "orphan motors" of long ago, a list obviously far from complete. In it we find old-timers such as Dort, Dart, Flanders, Saxon, Brush, Moon. Why were these manufacturers casualties of the motor struggle for survival while others stayed in the running and prospered?

Many factors are involved; there is no simple answer.

It is the law of life. For each success, a dozen failures. Behind the curtain many an undertaking, created in high hope, buttressed with ideals, carried on with enthusiasm, goes down. Across the street, another wins out.

Luck? Not altogether. An intangible something, often scarcely sensed by the actors themselves, may have turned the scale by a hair. A shade better judgment at a critical point, a shade better strategy in a minor engagement, a shade keener anticipation of the public's changing fancy, sounder financing or a flair for the dramatic—who can say?

Only men of spirit

TWO items appear in the morning paper. The one recounts the death of Edward A. Filene. Filene succeeded his father in the merchandising business. He undertook to set up a business democracy. He gave employees representation on the board of directors which made it possible for them to take over control and ownership of the business. He discovered to his disillusionment that they were not interested in owning the business. They used the privilege to ask for shorter hours, holidays and more leisure. Reluctantly he decided that if he was to provide employment he must assume direction. Surprising though it was to Mr. Filene, his experience was not unique.

THE OTHER ITEM was from Palmer, Alaska, by a Washington correspondent of the Federal Colonization project at Matanuska. He comments:

> And you would see today that one man has a neat home and twenty acres of land cleared and has held his debt down to $3000 and has a small income from eggs and pork and odd jobs.
>
> And you would see his neighbor's barn lot cluttered up with a shabby collection of discarded implements; a stumpy, rubby ten acres of cleared land; over $10,000 in debt; nothing coming in, and no hope for the future.
>
> The answer? The same thing on a small scale that makes one man a Rockefeller, the other a gas-pumper. Just a difference in individual temperament and ability. Some people know how to succeed, some don't.

NATION'S BUSINESS has said many times—and will no doubt have reason to say many times more—that only men of spirit, and who have the ability to do, sustain the pressure of progress.

Code of a college

A DECLARATION of policy of the trustees of Yankton College (S. D.) is so rare—and so at variance with so many of our pink-eyed colleges—that we record with enthusiasm its commendation of

> the American way of doing things whereby, under our free Constitution, every citizen has the liberty to gain for himself, through his own efforts, the best of the things of life

and its condemnation of

> any plan which covets that which another has honestly gained through the exercise of the Christian principles which it teaches.

Lambasting straw men

WHEN Senator Vandenberg proposed five amendments to change the Wagner Act from a "one-way street" to an avenue on which employers, non-union employees and the public all can travel, as well as union labor, the author of the Act rushed feverishly to its defense as it stands. He would give his "last blood" to protect "unfortunate" and "exploited" workers. He would not "sit idly by and see their rights taken away."

A long time ago Edmund Burke showed that he knew intimately the finer workings of the reformer mind. He said:

> . . . they then proceed in argument as if all those who disapprove of their new abuses must of course be partisans of the

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You'll want CORRECTED LIGHT in *your* office. You'll want it because it will help you concentrate—help you think better, work better, feel better. For greater precision and accuracy in *your* office—get more information on CORRECTED LIGHT. Mail the coupon.



Dotted lines show special Celestialite triple-glass luminaire

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old; that those who reprobate their crude and violent schemes of liberty ought to be treated as advocates of servitude.

Vengeance ex post facto

THE OWNER of the Hopwood Retinning Company sold his business to a concern in New Jersey because he was unable to meet the extravagant demands made upon him by the Polishers and the Teamsters unions. Two hundred workers lost their jobs. A trial examiner of the National Labor Relations Board solemnly recommended to the chairman of the New York regional board that the Brooklyn man, who in the meantime had retired and moved to Philadelphia, should be compelled under the Wagner Act to return and resume his business.

Whatever final disposition is made of the incident, it is about as odd and bizarre an exercise of justice as a judgment of the Restoration Parliament in England. Cromwell's skeleton was ordered to be dug up from its grave, duly hanged with all the pomp of law and the skull exposed in Westminster Hall, that the Stuart monarchy should have its victory over the Puritan soldier.

A matter of mileage

CONGRESSMAN Knutson of Minnesota sharpened his pencil and has figured up that federal officials spent the neat sum of $76,669,506 for traveling expenses in 1936. This amount, he explained, is greater than the passenger revenue of any railroad system in the country. It is also 18 per cent of the total receipts from passenger traffic of all roads. By far the largest item was for Executive Offices and Independent Establishments, while the Department of Agriculture came second. Query: What part of freight traffic comes from government spending?

Official worm mix-up

THE Department of Commerce is trying to untangle its worm statistics—blood and sand.

The figures show that whereas diggers recently have been getting 13 cents a pound for worms, they used to get—in the days before the New Deal—a dollar.

The New England diggers assert that they have never received a dollar a pound for worms, never more than a penny apiece for worms, or about 15 cents a pound for big fat ones, and always much less for the little ones.

Officials suspect that the pre-Deal statisticians mixed pounds with numbers, that instead of a dollar a pound the figure should have read a dollar

a hundred worms. But the early base worm records have disappeared.

Anyhow, the Department's worm production and value figures are beyond recall; they appear in the printed record of a Senate hearing on economic studies of the fishing industry.

A-text from Henry George

HENRY George was once introduced at a mass meeting as "a friend of labor." The introduction didn't please the great author of "Progress and Poverty" at all. When he rose to speak he began by saying:

> I have never claimed to be a special friend of labor. Let us have done with this call for special privilege for labor. I have never advocated nor asked for special rights or sympathy for working men. *What I stand for is equal rights for all men.*

But Henry George never ran for office.

Even Napoleon couldn't do it

AT a recent convention, one of the speakers, DeLoss Walker, began his discourse by passing a twenty-dollar bill out for the inspection of his audience. When they had assured themselves that it was not stage money, he announced that he would give his listeners a chance to win it. "All you have to do to get this 20 is to cite me a single man who ever achieved anything important working a 30-hour week," he said. There were no takers.

Human nature in the raw

THE chairman of a delegation of home town boosters on the way to Washington to ask for an allocation of federal funds for the construction of a public fountain was confiding in one of his colleagues.

"You know, Joe, I had a birthday last week and my wife gave me one of those fancy smoking jackets that cost $15. Now, I wish she wouldn't do that sort of thing. She meant well by it but she was just using my own money to give me something I didn't need."

The fountain, we learned, was to be a $15,000 affair.

Penalty for finding a job

DOES it follow from a statement of Senator Nye that the ambition of the Committee for Industrial Organization is to see that young men get along in the world? The Senator cites one ambitious youth as an example. Having found a position with a Baltimore concern for 45 cents an hour, the young man was required to pay the CIO a fee of $10 for permission to go



THE BEST DRIVE IS A MORSE CHAIN

You pay for ALL the horsepower your motors develop. Where does it go? Is it being wasted by inefficient power drives—drives that slip, or turn so hard that they absorb power into themselves?

Change to Morse Positive Drives!

These great drives transmit power with 98.6% efficiency, without slippage, without drag. Easily and smoothly, Morse Positive Drives pile up trouble-free performance records that stretch out for ten, twenty and even thirty years! Teeth, not tension, is the principle on which Morse Drives operate. Production steps up; costs trend down with power flow kept at a high, productive level by Morse Positive Drives.

How much for Morse Drives? Actually no more than for less efficient types of power transmission equipment.

Ask the Morse man nearest you to tell you in detail about Morse Positive Drives for your plant. Or write direct to Morse, Ithaca.



It is difficult to get a good grip on a smooth-faced wheel. It is even difficult to get a good grip on a grooved wheel. But—it is easy to grip and turn a toothed sprocket. Teeth, not tension, do the trick. The teeth in Morse Chains, too, grip and hold and cannot slip.

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As we make such promises, we Americans emphasize daily the speed and safety of modern railroad transportation, of which electricity is a vital part.

"JOHNSON will meet you in St. Louis this afternoon" . . . "Yes, sir, you'll get your shipment in the morning" . . . "Mother will arrive at 4:43." How casually we make and accept such promises, which take for granted the arrival of railroad trains safely and on time!

This faith in railroad time-tables is well-founded. Year after year train schedules are maintained with remarkable efficiency. Railroad safety is no longer even questioned. And in addition, modern railroad progress has brought new comfort for passengers, new services for shippers, new speed for both.

Throughout this growth, electricity—and Westinghouse—have played an increasingly important part. First, automatic switching and signaling systems. Then practical main line electrification, followed by amazing economies in long-haul, heavy-duty service. And now streamlined trains, Diesel-electric powered, that whisk travelers at new speeds in air-conditioned comfort.

As you travel by railroad, the things you notice are the trains, the tracks, the terminals. Unseen is the electrical equipment of every type, which helps our great transportation systems to function with speed and safety.

Westinghouse

The name that means everything in electricity

to work, and a strike assessment of $1 a week. Being a capable and industrious young man, he was later advanced to 55 cents an hour. The CIO advised that he could accept the increased pay only on condition that he paid the CIO $25.

Spurred by ambition and encouraged by appreciation for his services, it was not long before the pay of the young man was raised to 90 cents an hour.

But, he was informed, before he could accept the increase it would be necessary to pay the CIO $50.

The young man's progress will be watched with interest. If his services are so valuable to the employer that he can double his pay within the period of a few short months, it staggers the imagination to think how invaluable he and thousands of others like him will be to the CIO as income increases.

A one-man sawmill

ON old Silvermine Road north of Norwalk, Conn., is a sawmill run by water power which Fred Buttery, owner, says is the oldest in the country. It dates back to 1688, three years before the establishment of the first post office in what is now the United States.

Mr. Buttery has worked at the mill all of his more than 60 years and before him his father owned it. He has a big overshot water wheel and a turbine which are used alternately.

He saws his own timber—mostly oak and other hardwood—and also saws for customers who haul their own logs to him. Guide rails for the contractors who are constructing the Merritt Highway through Connecticut constitute a large part of his business. He also saws much timber for pleasure boats.

Mr. Buttery does all the work himself, from maneuvering the logs into position to operating the saw and piling the lumber. He says it's much simpler that way. No watching employees to keep them away from the big whirling buzz saw, no compensation insurance, no pay roll taxes, no union demands, no Labor Department inspectors, no government questionnaires. He just saws wood.

"I don't have to go out looking for business, either," Mr. Buttery remarked. "I can handle cuts that the big mills with all their machinery wouldn't fool with. I work slowly and carefully and so I don't waste much timber."

Another pension trick

IN one of the states with an old age pension provision of $35 a month for persons living singly and $45 for married couples living together an old man and his wife—both past 70—have found a way to wangle a paternal commonwealth out of an extra allowance. Although continuing to live in the same house, they "separated," no longer speak to each other, while each pays exactly half of the living expenses and household bills. With $70 a month they can get along until the Townsend plan becomes a law.

Detour

EVERY automobile owner has felt that acute and violent resentment inspired by an encounter with a sign like that which Photographer Harold M. Lambert has pictured on our cover. Objection to obstacles is a natural human reaction.

Certainly highways must be repaired or improved. But the motorist knows that the detour sign is a warning of inconvenience, delay, a deviation from the direct road and hence extra expense.

And yet, these same motorists show little sympathy to the business man who has suddenly found the broad highways of trade closed by detour signs in the shape of half-baked laws and regulations. It is a peculiarity of human nature that people who find the price of goods and services increasing because business is forced to take the longest way round forget their own dislike for detours and lay the blame on business.

Evolution of a prophecy

WE were reminded: Thomas A. Edison, perfecting the motion picture mechanism, was convinced that its chief use would be educational. The fact has been cited as proving how men of the greatest vision can fail as prophets.

But it appears that the venerated wizard of invention had at least a slice of the truth.

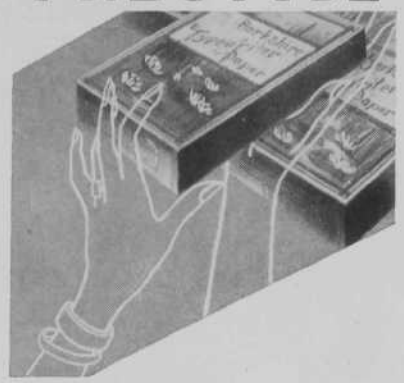
On these crisp Mondays the movie *is* educational. Emphatic, convincing and damning, it teaches lessons the "scholars" cannot dodge.

Rows of football beef sit in this classroom. On the screen appears Saturday's game. And at appropriate points the picture slows or halts, while the coach-lecturer's talk speeds and crackles.

There are Saturday's Sins, "canned" and now glaringly clear. Along the rows of scholars, vital organs do flip-flops, ears burn, profanity is strangled; and the lads resolve to die for dear old Siwash more correctly, come next Saturday.

Happy, impractical thought: if this technique could be adapted for a post mortem on public affairs!

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"I WOULDN'T DRIVE ANOTHER MILE WITHOUT LIFEGUARDS"

*LIFEGUARD *is a trade-mark of The Goodyear Tire & Rubber Company, Inc., and is protected by patents applied for*

A Stranger in Its Own Home

WHAT a mist of misinformation has come between the desks of management and the work benches of the nation! Why this mental fog about business in a land famed for its supremacy in the production of things which make life more inviting, more comfortable, more worth while? The situation puzzles and bewilders.

Daily, on every hand, business is seen at work sustaining and advancing the well-being of everybody. Its accomplishments are so usual, so familiar, that it is accepted in the United States as commonplace. The urge in this country to do business is congenital. We are noted—and praised abroad—as a business nation. All at once we follow the lead of political opportunists and excoriate industry.

How rival nations must marvel at the spectacle of Uncle Samson clipping his own locks!

Ill-will toward the business community is costly. It frustrates serviceable enterprise, and it is not pleasant to contemplate the inevitable effect upon the individual welfare of the people themselves.

No one who has eyes or ears can fail to observe the fallacies the public has been led to believe about business and business men. Two independent surveys by the National Manufacturers Association asked the questions, "Are profits too high?" and, "Has industry done its best to relieve unemployment?" One-third of those queried thought profits too high, and nearly one-half were certain that industry deliberately sabotaged itself by refusing to employ men. No matter the figures of failures because of no profits or the average profits of all business; no matter the fact that industry paid out 26 billion from savings it did not have to pay out to employees during the depression. No matter.

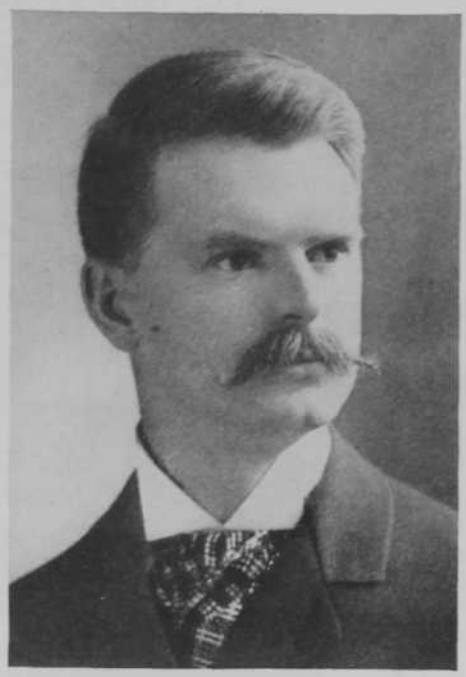
And the public's opinion of the individual business man? It is no less derogatory than it is erroneous. Dr. H. W. Hepner and his associates at Syracuse University asked 100 citizens what came to their minds when the word "banker" was mentioned. Representative answers: "Sensuous, sporty, even illicit," "Easy jobs, good hours," "Big and fat, ardent golfers, with many servants and butlers." Only 54 per cent of the answers were favorable.

Easy enough to dismiss the picture as unpleasant and say that, "anyway, it does not apply to me. I know business and business men and my neighbors know me. The thought is disquieting yet in our community every one respects the druggist, the banker, and the public utility manager. They are solid, dependable folk, lift givers, burden bearers, friends to the community in every need. Too bad if the value of their faith and works becomes so distorted when appraised through the glass of distance. Big business, for example, does seem impersonal, remote from the affairs of the market place we know at home."

Too bad, indeed! The ignorant bear false witness against America's economic system. Indifference to this will permit the destruction of that free enterprise which has made us at once the envy and despair of the older peoples of the world. It is high time that each member of the business fraternity constitute himself a Committee of One to describe, interpret and defend a system which since its establishment in 1776 has provided its people with a standard of living that transcends even the imagination of a Jules Verne.

Merle Thorpe


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Clive Jaffray (left) and Edward Williams Decker as they appeared 50 years ago when Harris of the Northwestern Bank gave them the jobs that started their careers

The Lengthening Shadow of Two Men

By NEIL M. CLARK

MEN WHO FEEL that the burdens of business are disproportionate to its satisfactions will do well to contemplate the two careers brought to a readable focus in this issue of NATION'S BUSINESS.

What Edward Williams Decker and Clive Jaffray have done for the Northwest constitutes an object lesson which happily is on view in some degree in every community of this nation. So it is that their faith and works are significant and representative of the power of the individual spirit to lift men's hearts when they are heavy, to generate progress, to inspire confidence. Friends, collaborators, competitors, they came to distinction the hard way.

It is a great pleasure for NATION'S BUSINESS to share in the recognition of the sort of productive courage which has made the American standard of living the standard of the world.

MINNEAPOLIS in 1887 was a city of destiny, and the whole Northwest was its back yard.

Men still young remembered when it had been just a green spot visited by steamboat loads of shrill excursionists. But men from Maine, following failing forests westward, saw more than loveliness in the Falls of St. Anthony.

They saw power. The wilderness around their sawmills magically became a settlement, a city. The Census in 1850 gave Minneapolis no population at all, but in 1890 credited it with 164,738.

And, though men knew the timber would soon vanish, they pointed to endless wheat fields and incredibly profitable "flouring mills," and quoted Jim Hill on the Northwest as empire —"the richest agricultural area of like size on the globe."

Of this fabulous area the Twin Cities undisputed were to be the distributing, manufacturing, railroad, financial center. So men dreamed.

And in Minneapolis, on the first Monday of September, 1887, a lad just turned 18 started to work as a messenger boy in the Northwestern Bank at $15 a month.

The boy's name was Decker: christened Edward Williams. Just another farm boy tired of milking, whose father and mother had come to the state not many years ago behind an ox team. His ancestors spelled their name with a *k* instead of a *c*. Sturdy Dutchmen.

With $50 from his father in his pocket, Ed left the farm intending to enter the University. But on his first evening in Minneapolis, in the store where his cousin, John McBride worked, he heard of the bank job.

"There," said John, "is your chance."

The Northwestern Bank when Ed started, had 16 employees. . . .

Another young man, four years older than Decker, came to Minneapolis a few weeks later to spend Saturday and Sunday with his sister. He was



MINNEAPOLIS JOURNAL

The census of 1850 gave Minneapolis no population at all. By 1878 when this picture was made the combination of forests and power had brought a settlement to St. Anthony's Falls

trying hard to sell patent newspaper insides ("boiler plate") in little towns, and hated it. On the street he met a friend who asked if he would like another bank job—he had had one in Ontario, where he was born.

"I'd love it!" said Clive Jaffray.

Distinctive penmanship

HARRIS at the Northwestern, the friend said, wanted a man. They went at once to see him. The job, Harris said, was filled—

"But if you want to leave your name . . ."

Jaffray did. He wrote his name and address, and Harris was attracted by big distinctive penmanship.

"Who else," he asked quickly, "do you know in Minneapolis?"

Jaffray said the bank examiner was a family friend.

"Send him in to see me," said Harris.

The examiner's office was only a block away. Jaffray fairly ran to it. The examiner was in. He went at once to see Harris. Within an hour, Clive Jaffray also had a job in the Northwestern Bank.

Jaffray and Decker were thus brought by fortune to work in the same bank within almost a month of one another. In the present year, 1937, they are rounding out 50 years of business service in Minneapolis. They have played important rôles in its not always clear destiny.

They are not at all alike. Jaffray is tall, austere, inclined to silence, with a reputation for bluntness and conservatism—not a pinch-penny conservatism but broad-gauged; rough-spun Scotch in virtues, faults, features, even though he was born on this side of the Atlantic and has no burr in his speech. A worker primarily but with great enthusiasms for hunting, golfing. He was prominent in organizing the famous Minikahda Golf Club, and few golfers in the state, 'tis said, can beat him.

Decker, on the other hand, white-mustached, friendly, optimistic, loves to hear Lake Superior boom on the beach below his cabin at Encampment Forest; loves a wood fire, a cigar, a good story, loves hunting and fishing, is not afraid of seeming sentimental if he mentions a moment of sheer beauty in British Columbia when an old Indian and his squaw paddled off up-lake leaving moon-silvered ripples behind.

Very different, these two. But few movements can be cited, of importance to their section of country, that have not been touched in some way by one or both.

Both became bankers. Eventually, they headed competing banks: Decker the Northwestern where they both started; Jaffray the rival First National. For the past dozen years Jaffray has been president of the Soo Line Railroad, but he is a banker-railroader. Though competition between their banks has always been extremely keen, the two invariably worked together on matters demanding cooperation in business leadership.

In time, they came after the earliest rough-trampling empire-builders, but ahead of the latest arrangers of new social orders.

As examples of what constructive business leadership in a period of extraordinary change is like, and what it can do for a region, the careers of Jaffray and Decker deserve thoughtful study.

Not money-grubbers

RUTHLESSNESS and exploitation had nothing to do with them. It seemed more than a little significant to me, after days spent in and about Minneapolis, with Decker and Jaffray and dozens of their friends, that nobody thought to raise any question as to how much money either might have made for himself. That,



NORTON & PEEL

Minneapolis, population now a half a million, is still a city of destiny where boundless optimism is tempered with realization of hard economic facts

every one seemed to feel, was not relevant, was not the yardstick to measure them by. The very first week after he got his job in the Northwestern Bank, the bookkeeper said to Decker:

"What day did you start?"

Monday, Decker said; and asked why he wanted to know.

"Why you damn fool," said the bookkeeper, "don't you know it's payday?"

As a matter of fact, Decker didn't know. He had been absorbed in learning about banking in a hurry, forgot he was to be paid. Not that Decker and Jaffray disregard money-making. Merely that there's a sounder yardstick for them.

Good management was, is, their key to leadership. They practised it. They gave comfort and aid to business men who practised it. And they had marvelous instruction in what constitutes good management. Just a couple of months after they started at the Northwestern Bank, James B. Forgan became cashier there.

"I think," Jaffray told me, "that Forgan was the best banker America ever had. He was absolutely fair. He belonged to the era when the main business of a commercial banker was short-time loans.

"A good banker then had to know men. Forgan had no peer as a judge of business character. He seldom overlooked any essential detail, never took his eye off the main issue. It made no difference to him, as a banker, whether an applicant for a loan was his best friend or a complete stranger. Only business merits of the loan influenced his decision."

Decker within the year has written a brief book of reminiscences for his family, entitled "Busy Years." In it he describes a document which Forgan drew up in his own handwriting to promote better management in the bank. Each employee was required to read and initial it. Paragraphs follow:

> The first duty of every man in the office, especially of those at the counters, is to attend to the customers of the Bank and the general public, and to see that they are not kept waiting longer than is absolutely necessary.
>
> The next duty of every man is toward his fellows in the office—to see that they are not kept waiting for work passing through his department. All work which has to be passed on to another department must have preference in regard to the time of doing it over work for which no one else can be waiting.
>
> Nothing but the business of the Bank is to be attended to in the office during business hours. No skylarking, loud talking or noise of any kind, and no conversation other than is absolutely necessary in connection with the work of the office, will be permitted.

Duties of each man were specified. Thus:

> E. W. Decker—Collect all bills payable every morning. Write postal cards for correspondence clerk. List clearing house checks in the afternoon. Fill in spare time listing customers' checks.

Having had Forgan for teacher, it can be seen why Jaffray defined good management tersely for me in these words:

> Attention to details. Knowing all the necessary facts. In lending money, knowing all about the man who wants, and all about why he wants it. No pertinent detail is unimportant.

And Decker, who once talked at some length about the kind of men he liked to lend money to, summed up five main points about good management as follows:

1. Too much money is worse in business than too little.
2. Dry rot, not changing with the times, is a deadly management disease.
3. Gambling and good management seldom lie in the same bed.
4. Give me a fact-gatherer; a man who learns everything possible about all phases of his business.
5. Deliver me from a side-stepper: one who knows the facts but won't act on them.

Look at a few of the things that Jaffray and Decker did, as leaders, to aid and abet good management and

broadly constructive policies in their section. Things significant to Minneapolis and all the Northwest in these 50 years of change.

While a thundercloud of fear and bank failures was hanging over the United States in 1932 and early 1933, the Northwest was whipped by the financial storm very lightly. Few banks there failed. The reason for this reached several years back.

In the 'Twenties, the banking situation in this area was not a happy one. North Dakota, for example, was supposed to have more banks in proportion to population than any other state. Under futile state guaranty of deposit laws both there and in South Dakota, irresponsibles blossomed out as bankers and scores of poorly managed institutions flashed into weak life, died.

In the four years from 1924 to 1927, 232 state banks failed in South Dakota; from 1921 to 1924, 210 state banks failed in North Dakota.

With the hope of increasing the financial security of the entire region, and to obtain other benefits, a few younger men in Ed Decker's bank proposed to gather some of the banks over several states into a central corporation.

This was done. The Northwest Bancorporation was formed. The idea was that local banks should exchange their stock for stock in the Bancorporation.

In return, local banks were to have strong central financial support; they would get the benefit of frequent and rigid expert examinations and management counsel; there would be opportunity for able men in small banks to advance to bigger positions in bigger banks in the group; local banks would have advice on investments—in brief, more expert banking knowledge and experience would be available to the local depositor and bank borrower.

The first bank to join was the First National of Fargo. Next to come in was a Mason City, Iowa, bank; followed by a LaCrosse, Wis., bank.

Group banking was opposed

THE new plan was opposed on various grounds. Jaffray, even, was against it at first. But within a year his bank, too, found it wise to organize, along similar lines, the First Bank Stock Corporation.

At the end of 1936, the reports of the two institutions showed total deposits of affiliated banks as follows:

First Bank Stock Corporation	$402,524,236.40
Northwest Bancorporation	393,330,752.59
Total	$795,854,988.99

The number of affiliates and their distribution were:

	First	*Northwest*
Minnesota		
Twin Cities	11	9
Rest of State	29	35
Montana	14	12
North Dakota	15	12
South Dakota	9	6
Michigan	1	—
Wisconsin	—	6
Nebraska	—	7
Iowa	—	5
Total	79	92

The depression was an acid test for these organizations. There were no major bank failures in the area, and *not one* among the affiliated banks. The then president of the Great Northern Railway, Ralph Budd, said that, in his judgment, but for these corporations, not a single bank would have been open between Minneapolis and Seattle.

There is no doubt that they saved

(Continued on page 92)



LEE BROTHERS



ROSS

Mr. Decker (above) and Mr. Jaffray after 50 years as competitors in business but partners in community building



COSMO-SILEO CO.

Miss Wing at desk watches the results of her training in telephone courtesy and speed

Courtesy is My Business

By JOAN E. WING

EVERYBODY knows that courtesy is a valuable asset in any business, though few have set about developing it in a big way. Yet it can be taught on a large scale and cultivated to a high degree, with excellent effect in deepening the channels of trade. My occupation for the past dozen years has been to promote courtesy in big merchandising concerns, and I know that practical men generally agree that the principles we follow will benefit anybody's business. The governing idea is not new—it is so obvious that people don't think of it. I ran into it while looking for something else.



CULVER SERVICE

She says, "Miss Wing," not "Hello"

From high school I went to work as a telephone operator. To my mind there was a fascination about helping people miles apart talk to each other, but prospects of promotion and higher pay were better in another business, so I left the switchboard. In my new job I traveled a great deal and wherever I went I studied the telephone service. To me it was a game, as exciting as tennis or bridge.

In hotels, department stores, railroad stations, wherever there was a switchboard, I spent many a spare hour, watching how the girls handled calls. It was depressing to find so many delays due to indifference, or indistinct speech, or arguing with angry callers. Bit by bit I worked out plans for saving time, and in doing this I found that a pleasant manner was quite as helpful as swift hands. I was sure I could persuade the girls to develop speed with courtesy, to welcome the unseen customer.

But before operators would listen to me, I must be able to show them that I was more proficient than they were; so I spent six months at the switchboard of a big New York hotel to get back my old speed, and a year in the main office of the company, studying the scientific side of the business. Then I heard that the Johns-Manville Company was having "PBX trouble"—which meant that their private branch exchange was not working well—and I called on the President. He was not at all sure that I could cure the trouble but was willing to experiment. It did not take long to convince the seven girls at the big switchboard that I was their friend, an expert operator who could help them.

I told them how important they were—the first voice of the Company speaking to the public; therefore they should welcome the caller as pleas-

(Continued on page 124)

The Miller-Tydings Act



IS this Act, passed in the closing days of the past session, an invitation to price-fixing or is it, as its sponsors declare, merely protection against price-cutting? Here are the arguments for and against

IN THE closing days of the past session, the Congress passed a measure which assures business a new era of freedom from government regulation —passed it despite a warning from the President who signed the measure reluctantly at the end of the session under force of circumstances, Congress having attached it as a "rider" to the essential District of Columbia Taxation bill.

This measure, the Miller-Tydings Act, will loom large in the history of American economics because it suspends important sections of the antitrust laws for the first time since the antitrust craze hit the country nearly a half century ago—that is, the first time except for the NRA period.

Although long-sought by certain segments of the business world, the principles of the new law will not be accepted without a fight by those free spirits who wish to play the lone game.

What, in brief, is this new statute all about anyhow, and what may we expect from it?

There is nothing strange about this type of legislation. It is new only in the sense that we have never had anything quite like it on the statute books. For more than 20 years similar bills have been pressed upon Congress—notably the Capper-Kelly bill —but, until the experience of business with legalized price-fixing under NRA, the opponents of retail price maintenance always had the upper hand.

The essence of the argument of those who sponsored the Miller-Tydings bill was that the worst thing in the world for business was price-cutting. They wanted to end the destructive price-cutting which drove small merchants to the wall.

The Act simply amends the antitrust laws to permit interstate commerce in certain goods for which minimum resale prices have been fixed by contract under state laws. In effect, it recognizes fair trade practice acts in 42 states under which such resale prices may be predetermined. Prices may be fixed in those states on commodities which bear, or the label or container of which bears, "the trade-mark, brand, or name of the producer or distributor of such commodity."

Limits on price-fixing

THE important thing about this Act —something which its opponents frequently overlook—is the qualifying language which prohibits any contracts for establishment or maintenance of resale prices "between manufacturers, or between producers, or between retailers, or between persons, firms, or corporations in competition with each other."

This qualification is amplified when the Act states that price-fixing contracts may not be made on commodi-

and the Cost of Living

By JOHN H. CRIDER



ties which are not "in free and open competition with commodities of the same general class produced or distributed by others."

It means that prices may be fixed vertically, but not horizontally. In other words, the manufacturer, distributors and retailers of a certain brand of merchandise may get together and decide at what price they will offer their product to the public. This implies the power to determine margin of profit for each party to the contract. But it makes unlawful any agreements between manufacturers, or distributors, or retailers to fix the prices of other commodities of the same class. The law says you may fix the price of each brand, of tooth paste for instance, individually in contracts between the manufacturer or distributor and the retailers, but it definitely prohibits any conspiracy to fix prices on competitive brands. The same would apply to soap, cereals, candies, books, or anything else which is sold with a distributor's or manufacturer's name stamped upon it.

This would seem to perpetuate the antitrust laws; to offer protection against that type of horizontal price-fixing which freezes competitive products at the same price level.

But does it?

Some of the sponsors of the bill have demonstrated that this prohibition means little to them. The minority reports of the congressional committee which handled this legislation pointed out that two trade associations, aggressive supporters of the Miller-Tydings bill, are under a consent decree entered in the United States Circuit Court for the District of Indiana on charges of price-fixing, and conspiracy and coercion to enforce price maintenance.

Five of the largest liquor concerns, which also were interested in passage of the Miller-Tydings bill, were named respondents in an action by the Federal Trade Commission for alleged price-fixing activities.

Well informed officials of the Fed-

eral Trade Commission have told me that the Commission intends to drop most of the two-score price maintenance cases now on its dockets because of the sanction which the new law gives to the practices complained of. Only cases of vertical price-fixing will be quashed, however, the Commission fully intending to proceed with those cases which involve charges of alleged conspiracy among competitors to control resale prices.

Officials opposed the bill

OFFICIALS of other government departments joined with the trade commissioners in viewing the new legislation with alarm. A high Justice Department officer, charged with enforcing the antitrust laws, feels that the Act will vitally weaken the antitrust statutes despite its professed respect for the maintenance of free competition. With 42 states and the federal Government approving one form of price-fixing, it will be exceedingly difficult, in his opinion, to convince a jury that any kind of price-fixing is illegal.

Treasury officials fought the bill, feeling that the result would be higher prices, which would mean that the Government would have to pay more for its many purchases, and that bootlegging would revive as a consequence of the higher cost of liquor to consumers.

Donald E. Montgomery, Consumers' Counsel of the Agriculture Adjustment Administration, said the Act would subsidize consumers' cooperatives in this country; by causing a marked rise in commodity prices, it would give the consumers the one thing they have needed to launch a really successful cooperative movement—a good scare. In a statement on Sept. 6, Mr. Montgomery warned of rising prices and suggested that consumers might perform "a real public service" by organizing buyers' strikes against unwarranted increases in living costs.

If business intends to fix prices horizontally under its new license, then the fears of the government officials might prove justified. But, on the other hand, if it stays within the law and confines price-fixing to vertical agreements, there can be little danger of a serious price rise.

The danger is that some will close their eyes to the distinction between legal and illegal price maintenance, and plunge ahead arm-in-arm with everybody else who wants to fix prices. If this happened, and prices skyrocketed, consumers would soon refuse to buy. Then these business men would have to revert to the old price-cutting war or go out of business. At any rate, they would have lost the benefits which came with the Miller-Tydings Act.

President Roosevelt, in his message April 27 warning Congress against this bill, said in part:

> The present hazard of undue advances in prices, with a resultant rise in the cost of living, makes it most untimely to legalize any competitive or marketing practice calculated to facilitate increases in the cost of numerous and important articles which American householders, and consumers generally, buy.

A few years ago the Brookings Institution sought to determine what economic factors caused the depression and what should be done to prevent a recurrence of that unfortunate episode. The three-volume study concluded with the finding that low prices and free competition are imperative to the healthy continuance of our economic order. Only through keeping prices at rock bottom, it said, can the benefits of mass production be properly distributed between labor, consumer, and producer. It held that the vital necessity was to prime production by creating ever greater purchasing power. It warned against price-maintenance legislation as tending to disrupt the normal course of business.

It can be seen that all the fears expressed concerning the ill-effects of the Miller-Tydings Act were based upon the assumption that it would result in higher prices. Is this assumption justified?

Similar laws raised prices

OPPONENTS of the bill cited statistics to show that the so-called fair trade or price-fixing acts in New York and California had done this very thing. An economist quoted by the minority of the Committee on the District of Columbia said that, in the few months the New York act had been in effect, prices on 2,112 items on which minimum resale price contracts had been signed had increased an average of 10.8 per cent.

In California, where the Fair Trade Act has had a longer trial, Prof. Ewald T. Grether of the University of California found that 1934 contractual prices under the state act were about one-third above the average of advertised prices for the first six months of 1933.

Higher prices after enactment of fair trade legislation do not necessarily mean that prices have been raised arbitrarily, without regard for cost factors such as labor, taxes and distribution. Many factors influence prices from month to month. But, human nature being what it is, there is cause for suspicion that, given the power to fix prices, the business man will raise them as high as he thinks the traffic will bear. The temptation is also strong to come to a working agreement with competitors as to what price levels are justified by current conditions.

Like a little boy with a big box of candy, the merchant is tempted to overindulge. If he gives in to the temptation of taking all his profits now, his system will suffer. He should not forget that the profits will last longer if he takes them in moderation. In the end they will be greater profits because, by withstanding temptation now and taking only that which is absolutely necessary to sustain his operations, he will have contributed toward a lasting prosperity.

Independent retailers

THERE are, of course, powerful forces at work which may make it difficult for the merchant to overindulge in profits even if he should feel so inclined. Some trade associations will attempt to dictate margins of profit in resale contracts, but some merchants will refuse to follow such dictates. They are the independent spirits who know no master but themselves.

These are the "retail royalists" to whose arrogance Charles P. Garvin of the National Stationers Association attributed passage of the federal price maintenance act. It was because these merchants were unwilling to "take an even chance on selling merchandise at a fair price to the public" that other retailers were compelled to take this protective action, he said.

A retailer of this type may refuse to use contract forms specified by the trade associations. He will run the risk of raising the wrath of association members, as he has done before but, under the new legislation, the others will be in a position to point to him as a merchant who does not subscribe to "fair trade" practices. The price-fixing laws are named in such a way that the associations might print window pasters with the words:

> This merchant, a member of the —— Association, has fully complied with the provisions of state and federal Fair Trade Practice Acts.

For a merchant to be denied such an endorsement might prove extremely harmful since the words, "fair trade," mean something entirely different to the consumer than they do to the merchant who uses them in connection with the laws to which they have been attached.

Again, independent manufacturers and distributors may refuse at first to make contracts at all, or they may refuse to make them the way certain customers want them. This

(Continued on page 106)

Where Are Automobiles Going?

THE auto of the future will make today's model look as antiquated as the old models look now. Although nobody can predict the exact changes, here is a long range view as seen by the industry itself



HAROLD M. LAMBERT

One out of every five retail dollars spent in this country goes for automotive purchases



Sales managers, engineers, designers study a miniature of a new model. A mistake as to what the public wants is unbelievably expensive

THE opening day of the New York automobile show—the day when the public is given its first look at the new models—is New Year's day in the motor industry. This year the new season began October 27. Like any New Year's period, that of the automobile industry offers an opportunity for a review of the 12 months just past and for a look into the future.

The year now closing has been marked by unusual difficulties involving labor upheavals and rising costs but, in the face of these economic problems, the automobile business has forged forward.

Estimates place the production of automobiles and trucks in the United States and Canada in 1937 at about 5,300,000 vehicles, a figure approximately 15 per cent higher than last year but still below the record production of 1929. More men and women are employed in the industry than ever before and wages are higher than they ever have been.

With only a few exceptions, wages in the automotive manufacturing business are the highest paid by American industry. This statement is based upon the findings of the Bureau of Labor Statistics of the United States Department of Labor.

Autos employ one out of seven

ONE out of every seven gainfully employed persons in the United States earns his living in the automotive field—in manufacturing, selling, production of materials, manufacture and sale of gasoline and oil, and in kindred enterprises. About 1,500,000 persons are so employed and they earn more than $1,200,000,000 annually. The average number of persons directly employed in making automobiles during the first eight months of the current calendar year was 522,000 with a weekly pay roll of $15,885,000.

Here are some more "Believe-It-Or-Nots" of the industry:

Fifty-four per cent of all American families own cars.

Seventy per cent of all the world's cars are in the United States. They number about 28,000,000 passenger automobiles and trucks.

There is one passenger car for every six persons in cities of 100,000 or more and 114 cars are owned in these cities for every mile of paved streets.

One out of every five retail dollars spent in the United States goes for automotive purchases.

One out of every seven carloads of freight hauled by the railroads is automotive.

Motor vehicle owners pay annually $1,448,267,000 in taxes on automobiles, gasoline and oil.

The automobile industry is the country's largest user of steel, gasoline, lubricating oil, rubber, plate glass, nickel, lead and mohair.

This recital could continue almost endlessly. One of the purposes of giving it here is to demonstrate the far-flung effects of the revival of the business of making automobiles and, if you please, the necessity for preventing the stifling of that business by too much interference, too high

taxes and by placing too many other difficulties in its path.

Automobile prices will be higher this year than last. Not only are wages of men directly employed in the industry higher, but so is the cost of almost every material that goes into a motor car.

The automobile industry is a mass-production industry. This means that manufacturers depend for profits upon many sales. The profit per car is low. The percentage of markup between cost and selling price is less than that of almost any other merchandise offered to the public. These things being so, prices must necessarily go up with rising costs. They cannot be completely absorbed as they might be if the margin between cost of manufacture and retail price were greater.

Costs have been rising

TYPICAL increases in the cost of raw material include 20 per cent in auto body sheet steel prices, 17 per cent in forging steel, and 27 per cent in cast iron, which together make up roughly half the cost of materials in a car. Wool which, with related fibers, represents perhaps one-tenth of costs, has advanced 11 per cent, while rubber, which accounts for approximately one-seventh of material costs, has advanced 15 per cent. Copper, lead, and zinc show price increases of 45, 28, and 38 per cent respectively. Cotton, tin, chemicals, and miscellaneous minor materials show varying advances.

These rising costs of materials must be added to increased costs resulting from increased pay rolls. These pay rolls are up, not only because wages have been increased, but also because more workers are employed in proportion to the number of cars produced than in the past. Reduction in the length of the work-week—now averaging 40 hours—is a factor, but the fact is that more man-hours of labor are required to make an automobile today than in the past. This should be an effective answer to complaints about alleged technological unemployment.

While machines in many instances have replaced men, designers, engineers and inventors have moved forward so rapidly in developing new devices and improvements in motor vehicles that these things have produced more work than the machines have taken over.

There is no reason to believe that this will not continue.

Before 1935, New Year's Day in the automobile industry coincided more or less with the beginning of the calendar new year. Changing the date for the introduction of new models from January to October or November has been a tremendous factor in stabilizing employment. In spite of popular misconception, the industry now compares favorably with most others in this respect.

Layoff periods for inventory and retooling still are necessary, incident to the introduction of new models, but these periods have been greatly reduced in length. Most of the workers now are assured of from 46 to 50 weeks' employment each year. Statistics for the 1935-36 season, the last available, show that 79 per cent of the workers in the industry had steady jobs, the term being defined as jobs giving employment for 46 or more weeks in a 12 months' period.

Sales have leveled out

THIS record is high when it is considered that the remaining 21 per cent include employees hired in the course of the year and those who have quit.

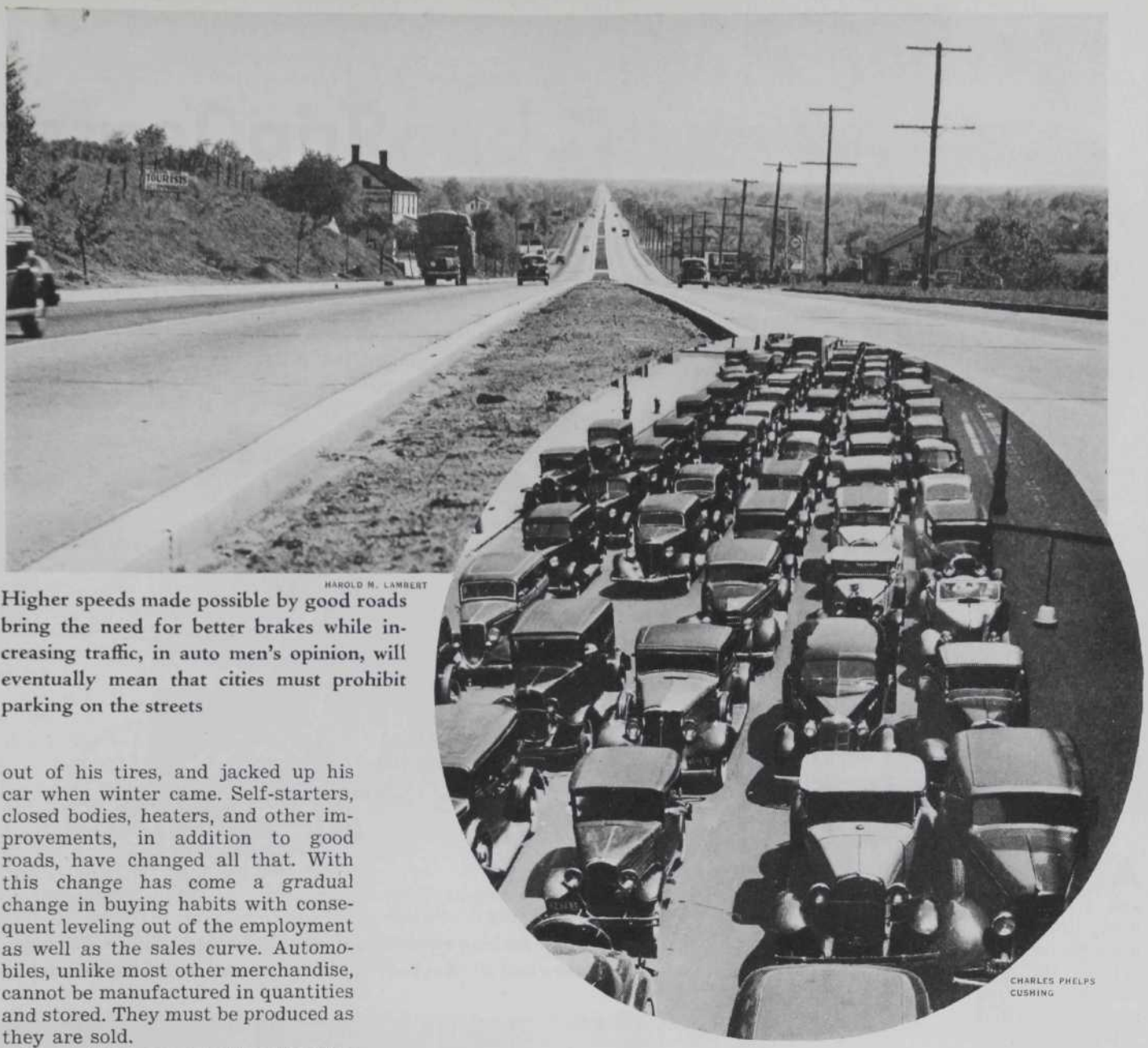
The automobile buying public, because of the fall introduction of models, has abandoned the idea that motor cars should be bought only in the spring. This is causing the sales curve to be leveled out. Although the peak still comes in the spring and late summer, it is not so sharp.

Another factor in this leveling out process has been improvement in the cars themselves. Most of us remember when automobiles were only good-weather vehicles and when the careful driver drained his oil, let the air



HAROLD M. LAMBERT

One out of every seven gainfully employed persons in the United States earns his money in the automotive field. Wages in the auto plants are higher today than they have ever been



HAROLD M. LAMBERT

CHARLES PHELPS CUSHING

Higher speeds made possible by good roads bring the need for better brakes while increasing traffic, in auto men's opinion, will eventually mean that cities must prohibit parking on the streets

out of his tires, and jacked up his car when winter came. Self-starters, closed bodies, heaters, and other improvements, in addition to good roads, have changed all that. With this change has come a gradual change in buying habits with consequent leveling out of the employment as well as the sales curve. Automobiles, unlike most other merchandise, cannot be manufactured in quantities and stored. They must be produced as they are sold.

These things essentially affect the production as well as the sales end of the business.

In the selling end, constant attention is being given to the problem of used cars. It is estimated that, in selling 5,000,000 or more new cars this year, dealers will handle about 7,000,000 used cars.

Concerning this problem, R. H. Grant, General Motors Vice President in charge of sales, had this to say recently to a group of dealers:

> The retailing of automobiles is somewhat different from most other retailing business. This comes about because of the very nature of our goods. The goods we offer for sale have a high mobility factor. Because automobiles are equipped with engines and wheels, one can get them to market readily. In addition, automobiles are constantly changing in style as new models are produced. This means that they are traded in frequently.
>
> While this trading brings many problems to our dealers, nevertheless it is probably the most beneficial influence in our business, by and large, looking at the interests of everyone concerned.

First: it enables the public to buy automobiles all the way up from $50, so that any one who can maintain an automobile can buy one.

Second: it increases dealers' new car sales and gives them a much larger gross profit, thus making their retail business larger than it otherwise would be.

By the same token, it gives the manufacturer a much larger annual turnover than would be possible if the original owner held his car during its entire useful life.

As stated before, the necessity for trading not only in new cars but also in used cars makes the dealers' distributive problem complicated and difficult. At present, dealers in some cities are demanding that used car trading be regulated by law. In connection with this trend, I should like to make the point that no amount of legislation will make a poor business man into a good one. Neither will it substitute good management for inefficient management.

Another subject frequently discussed in connection with sales is time financing. The record of the automobile industry in this respect during the depression was remarkably good. There was no debacle of credit such as occurred in some other fields. At no time during the worst years of the depression did repossessions of new cars exceed three per cent. Incidentally, more automobiles are sold for cash than many persons suppose. Last year, for instance, 38.8 per cent of new cars were sold for cash.

Although the new models now being introduced include no revolutionary innovations, they are different in many respects from those of last year.

No manufacturer can stand still. He must continually improve his product to meet public demand and to hold his place in an extremely competitive business. But changes are not made in any hit or miss fashion. The public is given the advantages of engineering and designing skill only when innovations are thor-

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Trip Teasers



Top, lamps and horn cost extra, brought the price to about $500

A BELATED memorial to some of the casualties of the motor world, pioneering vehicles which, time has shown, did not die in vain

AMERICANS in all parts of the country are assembling at auto shows or display rooms to pay homage to the new models. A homage, incidentally, that is richly deserved because the modern automobile is an outstanding monument to American industrial vision and genius.

But there is another tribute, no less deserved, which is seldom if ever granted. That tribute is due those pioneers who fell by the wayside in the motor car development period.

What does the industry and the public owe to those who invested millions in plants and equipment that are no more, some of them almost entirely forgotten? Those pioneers struggled against great odds, hoping to share in the profits of this new product of mass transportation. Most of them are gone. Some failed, perhaps, because they introduced sound ideas prematurely, others because they did not envision the trend of change, and still others because production exceeded the market volume. But all along that experimental pathway, theirs was a great contribution to invention and to marketing progress.

What outstanding factor did these pioneers introduce to further the advancement of automobiles and motoring in America? Strange as it may seem, the Auto Buggy, or "Horseless Carriage" holds this unique position. By the same token, boundless credit belongs to those few carriage manufactur-



There was nothing mysterious about this. It was nothing but a buggy, steel tires and all. Anybody could understand it—and afford to buy



BROWN BROS.

This was an "automobeel," with "wind" tires that were expensive and uncertain. Farmers and small business men couldn't afford them

of the Dirt Road Days

By A. E. HOLDEN

ers, who, early in 1907, introduced, or rather gave rebirth to, that earliest form of automobile design.

Perhaps it was visionary. Certainly its period of usefulness was short. And few manufacturers gained much profit out of the venture. But carriage and wagon makers, by 1907, saw the motor car writing "DOOM" across their business horizons. Although the transition from "Horse and Buggy" days to national motorization had hardly begun, these far-seeing business men envisioned the day when the market for wagons and buggies would disappear.

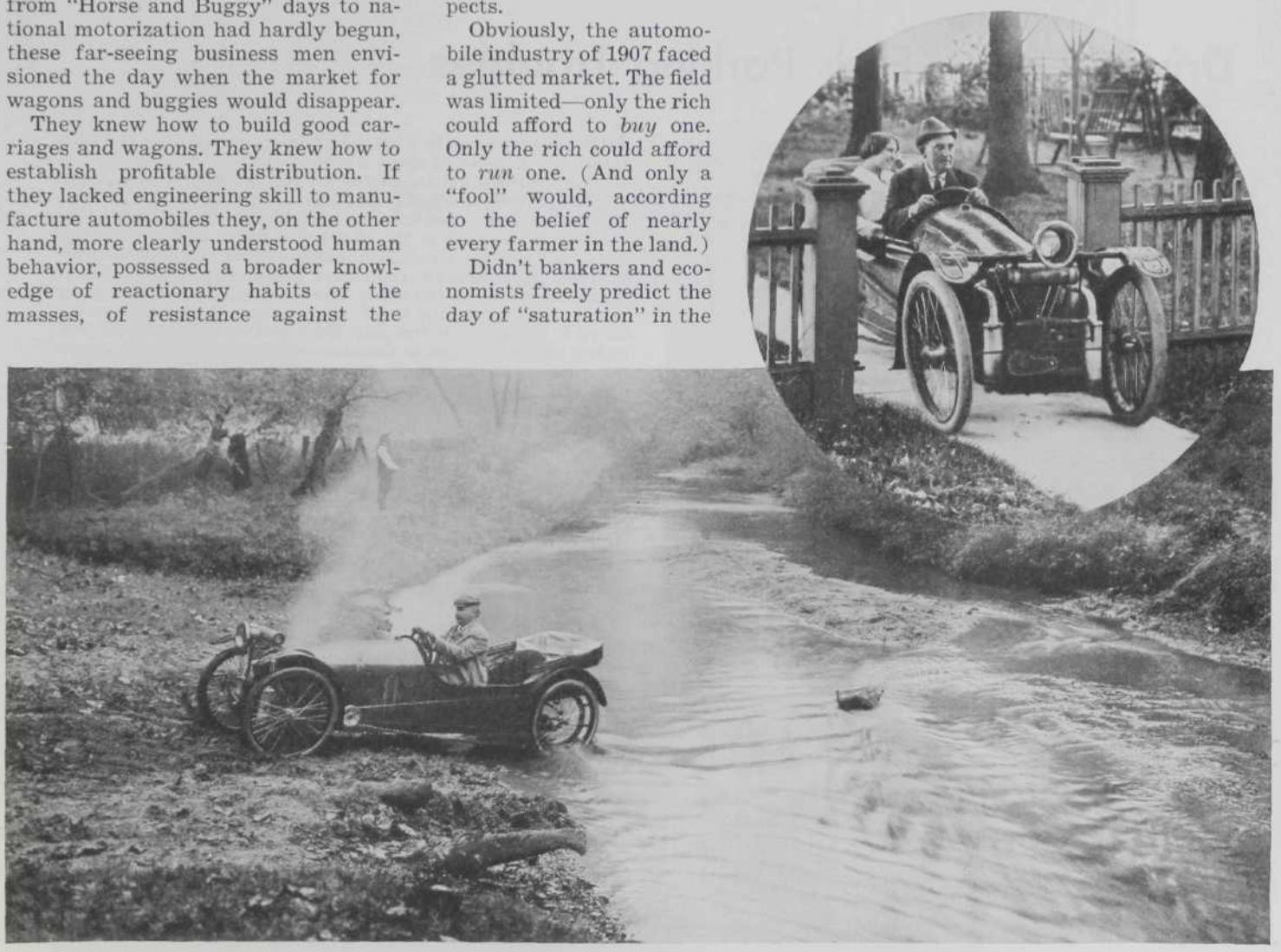
They knew how to build good carriages and wagons. They knew how to establish profitable distribution. If they lacked engineering skill to manufacture automobiles they, on the other hand, more clearly understood human behavior, possessed a broader knowledge of reactionary habits of the masses, of resistance against the trends of change among their type of customers.

Their markets were vast in scope. Six million farmers, a million or more smaller business operators, 20,000,000 or more industrial workers might conceivably like to own and drive cars. But this was a latent market which the makers of $2,000 and $3,000 cars never listed among their prospects.

Obviously, the automobile industry of 1907 faced a glutted market. The field was limited—only the rich could afford to *buy* one. Only the rich could afford to *run* one. (And only a "fool" would, according to the belief of nearly every farmer in the land.)

Didn't bankers and economists freely predict the day of "saturation" in the automobile industry? Many presaged dire disaster to the makers and even worse for those who had the temerity to buy and operate a car. Precisely!

Much prejudice prevailed against the new order of transportation. Farmers cursed it on the highways, feared it, because of accidents resulting from runaway horses, and hated it because



Like the "Auto Buggy," the cyclecar enjoyed a brief life in this country. Although it never gained popularity, it, too, made its contributions to the progress of the motor industry

it crowded them off the middle of the roads they and their forbears had built with their own hands.

The "automobeelist" was a begoggled, duster-wearing speed demon who tore down their highways killing chickens, scaring horses, endangering the lives of others at outrageous speeds of 30 miles an hour! He was, in fact, an interloper, member of the idle rich, invading the rural districts, encroaching upon territory heretofore built by and reserved for the farmer himself.

The carriage makers recognized this, and understood the sales psychology required to lift the veil of prejudice.

"There *is* a way to reach this vast market," they reasoned. Hadn't the farmer used high-wheeled buggies and wagons for generations? Wasn't he familiar with its uses, its appearance, its safety, its complete practicability? Wouldn't he buy an automobile if it was made to *look* like the conveyance he had known so long, if the price was within his reach? If it did not cost him too much to operate?

The carriage makers believed he would.

One of these ventures, which will serve the purpose, was that of W. H. McIntyre, now deceased, a veteran carriage and commercial wagon builder, in Auburn, Ind.

The first experimental work was conducted with a small, single cylinder, six-horsepower, air-cooled engine attached to the outside of an ordinary buggy. Power was delivered through a planetary transmission and dual chains over sprockets on the rear wheels—all exposed to sand and mud. A tiller steering device served to guide the vehicle.

Months before a practical high-wheeled machine was in production, the company inaugurated an advertising-sales promotion schedule in the *R. F. D. News,* various medical journals and farm papers, announcing:

"At last, a reliable automobile for $250."

Convincing, if not high sounding, words elaborated upon the many desirable features which appealed most to the country doctor, rural mail carriers and farmers.

Climbs 20 per cent grades—goes where others cannot—across creeks and streams—negotiates deep mud, sand or snow. This new marvel of low-priced efficiency is equipped with solid steel tires—no more costly blow-outs—no more troublesome punctures—no high priced "wind tires" to buy—It is just the car you've long been looking for, and remember, the price is only $250.

Inquiries came in from all over America—many from foreign lands. The company had no dealer organization such as is known today. None was needed. Nearly all sales were handled by mail. The "pay-as-you-ride" plan was then unheard of in the automobile industry. Purchasers accompanied their orders with a cash

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Drive-In Bank Ends Parking Troubles



A circular drum at base of teller's window where deposit is made and cash or receipt is returned

THIS banking room in a branch of the Security-First National Bank, Los Angeles, is really a motor lobby where deposits can be made without getting out of the car or stopping the motor.

Right in the center of a manufacturing and industrial area, this bank seeks to end parking troubles for its customers. The building is designed in the shape of a letter U. The points of the letter face the street. Automobiles enter on one point, follow the curve around, customers transact their business as needed, and exit on the other. The bank work room and lobby are in the center of the letter. Wide parking space adjoins the curve of the letter at the rear. Here customers may park, but, unless the transaction is complex, patrons may do their banking without leaving their cars. Elapsed time for completing an ordinary deposit is two minutes from entrance to exit.

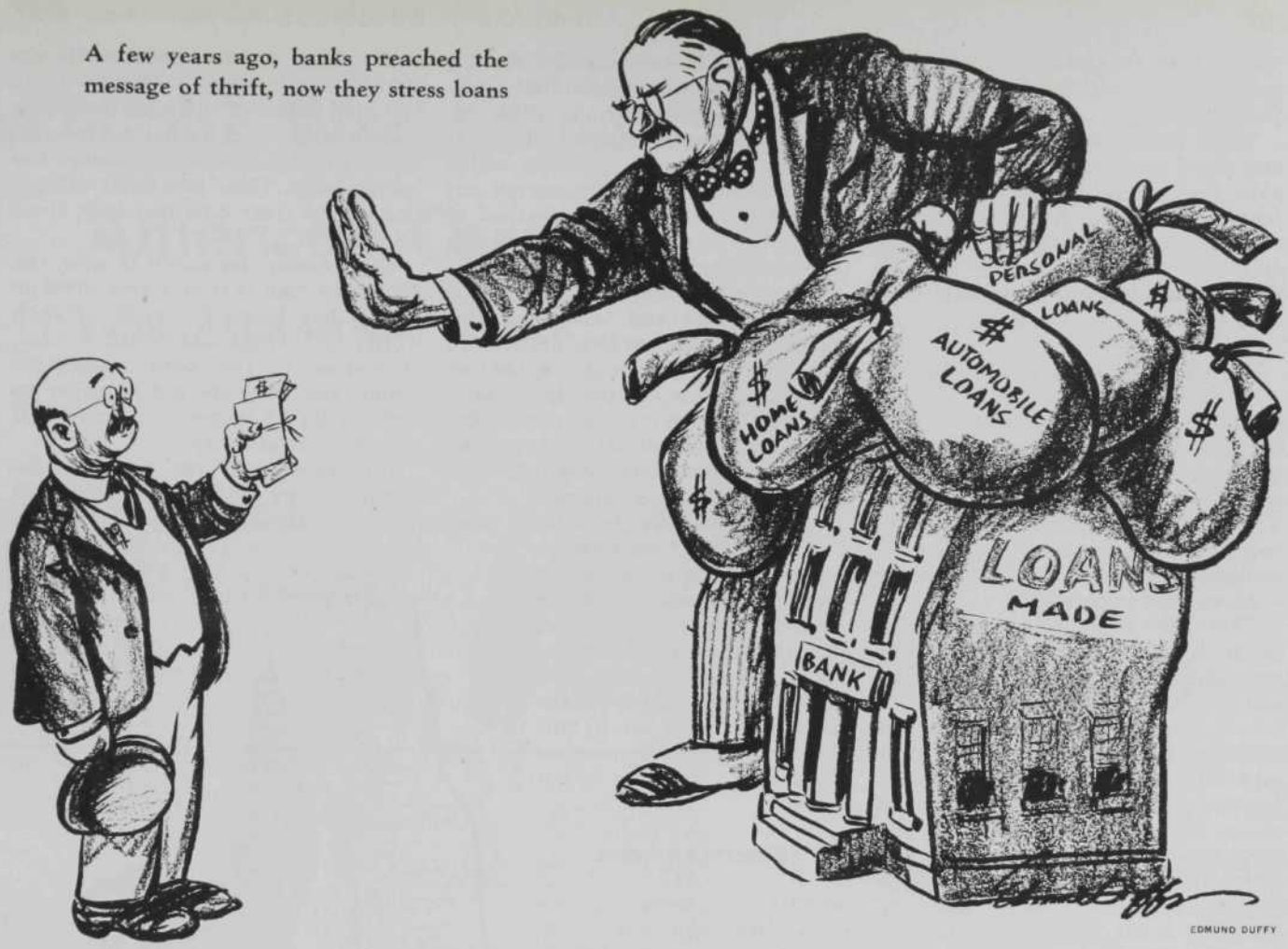
No danger from hold-ups is anticipated. The drive-in wickets are made of steel and bullet proof glass. There is no opening for a bandit's gun. At both entrance and exit, grille gates, recessed in the floor, may be lifted electrically by any teller. These should help to hold the bandits until the A.D.T. silent-alarm system brings police radio cars. As an additional precaution the steel and bullet proof wickets have tear gas installations controlled by the tellers. —ALLAN HERRICK

PHOTOS BY DICK WHITTINGTON



A plain one-story brick building, the drive-in bank differs little from its neighbors

A few years ago, banks preached the message of thrift, now they stress loans



The Forgotten Saver

By ALBERT W. ATWOOD

IF the Government is to support all those who need it, someone must support the Government. Here is a belated word of praise for those on whom this job must fall

THE forgotten man these days is the small saver. No one sheds tears over him. No one proclaims his rights or denounces any and every interference with them. In fact, relatively speaking, no one gives him a thought. In the prevailing attitude, or "psychology" of the moment, he is a back number.

This represents a radical and unaccountably swift reversal in thought and feeling. Only a few years ago the saver was lauded on every hand. Thrift was a virtue, individual and national, and all were exhorted to practice it. Presidents of the United States preached it, and the cue was taken from them. Popular "literature" was saturated with the preachments of thrift; no newspaper or magazine could decently go to press without at least one article on that all important theme.

True, the life insurance salesmen still urge people to save, and banks will take care of savings, although with many restrictions concerning the amounts accepted and the interest paid. Only a relatively few years ago, the banks drove the message of saving home to everyone who came within their influence; bank premises were filled with placards urging the advantages of thrift.

But now, on the main boulevard of a large city, one of the greatest banks in the country has a sign big enough to read a block away which announces that the bank makes home loans, personal loans and provides automobile financing. That is all; not a word about caring for the people's savings.

The other day I went into a branch of this bank's chief rival. There were extensive signs advertising home loans and the sale of travelers' checks, but not a word about savings.

I am not criticizing any bank for featuring the sale of travelers' checks, or the making of home, automobile and personal loans. Banks have had more deposits than they knew what to do with, their problem has been to find loans to put the money into. The point simply is that these bank advertisements show how far the emphasis has swung away from the saver, and my argument is that it has swung altogether too far.

Look at the subject in simple human terms, the way a young couple with whom I am well acquainted are forced to look at it. They have been married four years and fortunately, so they feel, have two children. The

young man is ambitious and has a good position, but his salary is relatively small.

There have been heavy expenses and there are many more ahead. Besides the cost of "having" the babies, there are the continuing fees of the child specialist and wages of a mother's helper. With a family of four the chances of illness are always considerable.

Savings are necessary

OBVIOUSLY what this couple needs is a reserve fund, from savings, which will care for the emergencies which always arise in such a family. There must be cash in the savings bank for such expenses, and also life insurance in case there should be an even worse emergency.

There are millions of couples, of families, in a more or less similar position. Not to emphasize constantly and continually to them the need of saving is to be blind to the plainest facts of human existence. This is especially true in these days when young people are lured on every hand to buy the best that is to be had. The number and quality of desirable material possessions has increased so rapidly in recent years that the spending habit becomes almost automatic.

It is fine for young couples to have houses of their own, to buy automobiles, to take long vacation trips and to own many articles of comfort and luxury. But how are all these things to be paid for unless the young people accumulate savings in proportion to their outlays, and are they likely to make the sacrifices necessary to save unless they are constantly urged to do so?

Surely no one is so foolish as to advocate deliberately that our houses, automobiles, vacations and other comforts and luxuries be purchased entirely on borrowed money. But unless a great many people save a great deal of money, the obligations they undertake are worthless, the loans are worthless from the banking point of view, the banks are worthless, and finally the community itself becomes bankrupt.

Nearly everyone will admit that the whole idea of individual accumulation was overdone before 1929. Not only was the effort of millions of people to get rich quick out of the stock market supremely foolish, but the emphasis upon money making in general was too great. So now we hear it said that one of the benefits of the depression has been to turn people's thoughts away from an excessive stress upon individual riches.

Take my college classmate, John Purdy. He inherited money and made a great deal in addition. He and his wife lived on a corresponding scale. Came the depression, and other reverses at the same time, and he lost it all. But he found a position which paid a modest salary, he moved out of his big house, his wife learned to do her own work again, and both say they are happy.

This is a splendid attitude of good sportsmanship and courage. But surely no one argues that destitution is a good thing. Nothing is gained by being cleaned out completely, in being reduced to poverty, in compelling one's relatives and friends to pay one's rent, food bills, dentists' bills and honest debts in general.

In other words it is time to make a sharp distinction between going money crazy, piling up paper profits and sacrificing everything in life for the sake of making a fortune, on the one hand, and having sufficient reserves to keep off the relief rolls, pay one's bills and maintain one's financial self-respect, on the other hand.

Reserves needed

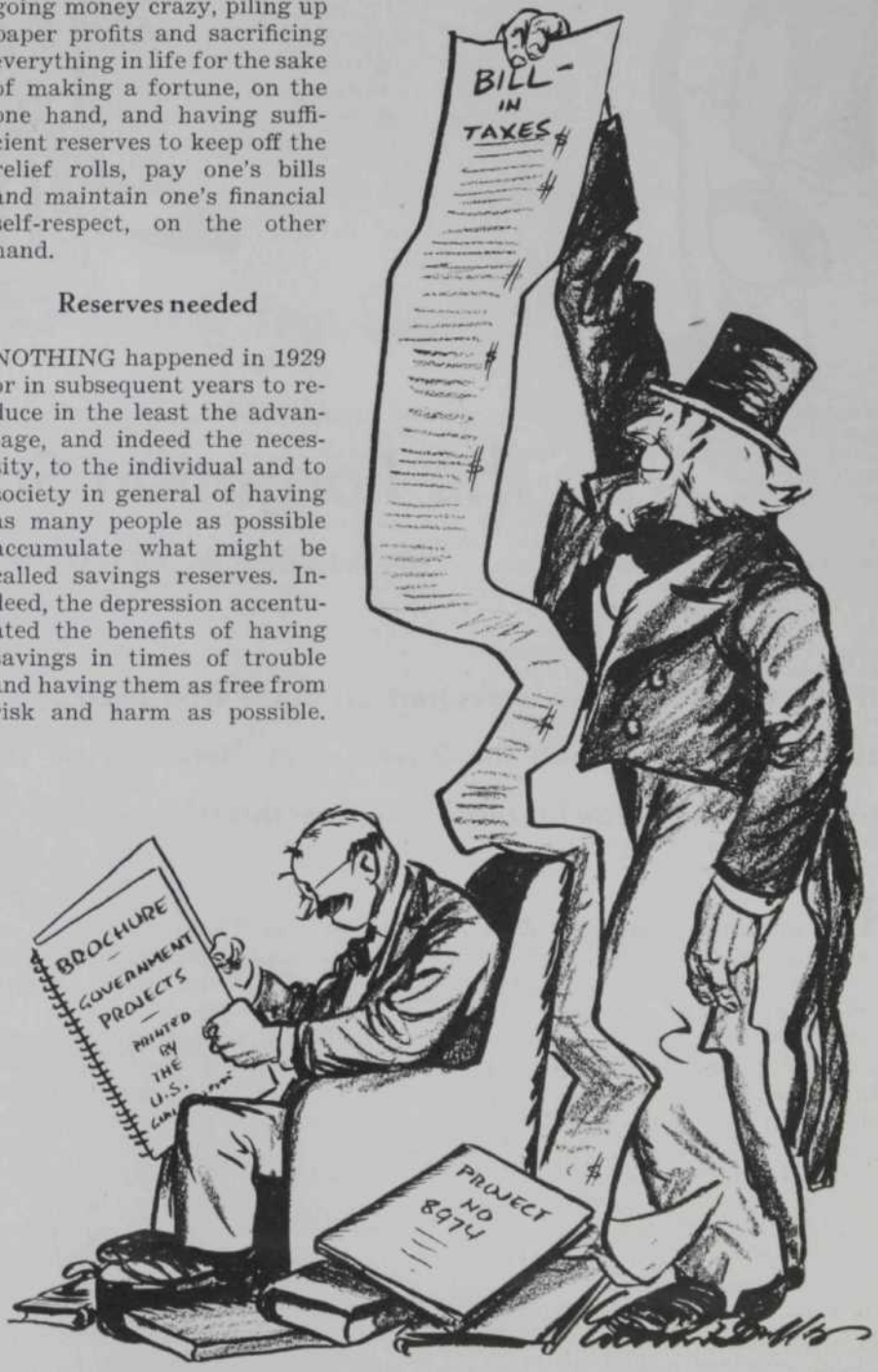
NOTHING happened in 1929 or in subsequent years to reduce in the least the advantage, and indeed the necessity, to the individual and to society in general of having as many people as possible accumulate what might be called savings reserves. Indeed, the depression accentuated the benefits of having savings in times of trouble and having them as free from risk and harm as possible.

The best proof of this is the extent to which people then drew upon the cash values of their life insurance policies and other similarly available liquid savings to tide them over the hard places. They met their obligations, paid their bills and kept their self-respect.

One reason the saver is now the forgotten man is that a new word or slogan has taken the place of such words as savings and thrift. I refer, of course, to the word "security." People say they are not so eager to make a lot of money any more. All they want is security.

But, except for the normally indigent classes which must be helped

(Continued on page 142)



Political, economic and social life has degenerated into a scramble to get more federal aid for more projects

Why the World Buys American Cars

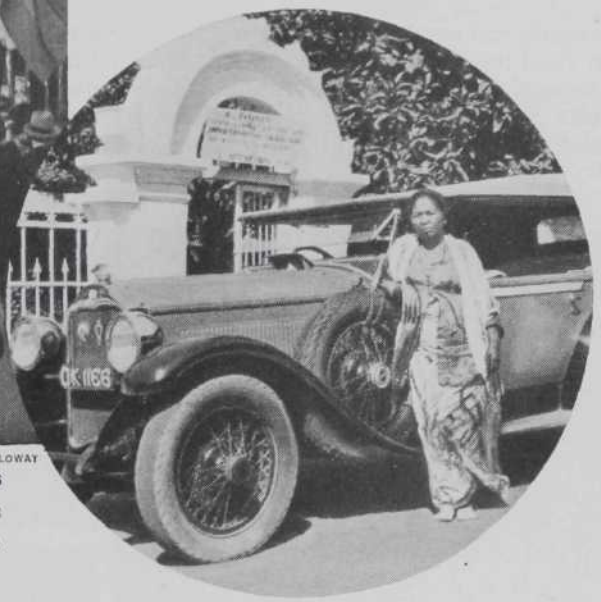
By Dr. ALEXANDER KLEMIN



EWING GALLOWAY

In spite of tariffs, quotas, restrictions, the demand for American cars is all powerful





EWING GALLOWAY

American cars complicate the traffic problems in Buenos Aires while (right) is shown one of the machines from this country which operate as stages in Bali, Dutch East Indies

ONE of the paradoxes in international trade is the fact that, notwithstanding the stories we read regarding the cheapness, economy of operation and engineering excellence of foreign made cars, American manufacturers have steadily increased their exports of cars and trucks in the world markets. At a time when the National Automobile Show is focusing attention on our latest designs, it is pertinent to inquire, as impartially as an American can do so, why, in the face of tariffs, quotas and other international trade restrictions, the world's motoring public turns to our shores for so much of its individual transportation.

It is interesting, first of all, to examine the statistics compiled by the Bureau of Foreign Commerce.

In 1935, the United States imported only 589 new and used cars of a total value of $274,464 plus two trucks costing $7,000. In 1936, we imported 401 cars, and 606 used cars with a total value of $544,557 and but one truck found its way to our shores. Most of the new passenger cars originated in the United Kingdom.

On the other side we have these highly gratifying facts:

As of January 1, 1934, of the total automotive vehicles registered throughout the world, 84 per cent were of American type. Excluding the United States, 44 per cent of the vehicles in use in the balance of the world were of American type. In France the percentage of American passenger cars was ten; in Germany, 18; in the United Kingdom, five. Exports of passenger cars and other automotive vehicles from the United States and Canada totalled $108,361,744 in 1933.

On January 1, 1935, the percentage of American vehicles in use throughout the world had advanced from 44 to 50 per cent. Including the United States, the world percentage of American makes had risen to 84.9 per cent. In France, the percentage of American cars stayed at ten; in the United Kingdom it had risen to six; in Ger-

many it had fallen to 13. Purchases of American automotive products in 1934 had risen to $196,314,485.

On January 1, 1936, the percentage of American types had remained substantially unchanged, but the valuation of exports had risen to $235,000,000.

Combined exports of cars, trucks and buses numbered 27,383 units, with passenger cars accounting for 172,272 units.

World-wide market for our cars

FOR the year 1936 export of American cars totalled 341,326 units. The percentage in Germany had fallen to eight but in the United Kingdom it had a further rise to ten.

In spite of tariffs, quotas, restrictions, national feeling, the world demand for the American vehicle is all powerful. In the most industrialized European countries the American car penetrates in goodly numbers. In entire continents such as Australia and South America, it is a case of the American automotive vehicle first and the rest nowhere, and the same remark applies to South Africa, an important and growing market.

There must be reasons for the solid export record of this industry—to be sought in comparative analysis of performance, price, comfort, equipment, service.

Not only magazine writers (who may be excused) but engineers (who ought to know better) speak of the greater performance, efficiency and economy of the European car. A typical statement reads:

> A conventional European six-cylinder car rated at 12 horsepower will do its 60 miles an hour (and up) and under practically all conditions will give 25 miles to the gallon of gasoline.

For really unbiased comparison we shall turn to the annual road tests conducted by an English publication, *The Autocar,* which certainly cannot be accused of American sympathies in the matter. Here is what the road tests, averaged over a large number of 1936 cars, reveal:

	British Open Cars	British Closed Cars	Continental	American Closed Cars
Price (at time of test)	£498.67.0	£408.15.0	£569	£478.25
Engine displacement in cubic centimeters	2,093.83	2,209.52	2,436.38	3,995.56
Maximum speed in miles per hour	82.33	69.78	74.37	80.88
Acceleration 0-50 miles per hour through gears	14.05	22.58	20.10	13.99
Pound of weight per cubic centimeter engine displacement	1.44	1.51	1.24	0.92
Speed up a hill 1 in 5 in miles/hour	19.76	16.45	17.58	20.24
Brake test, stop in feet from 30 miles per hour	28.08	31.89	30.88	32.11
Miles per gallon (British)	25.17	23.62	23.0	17.67

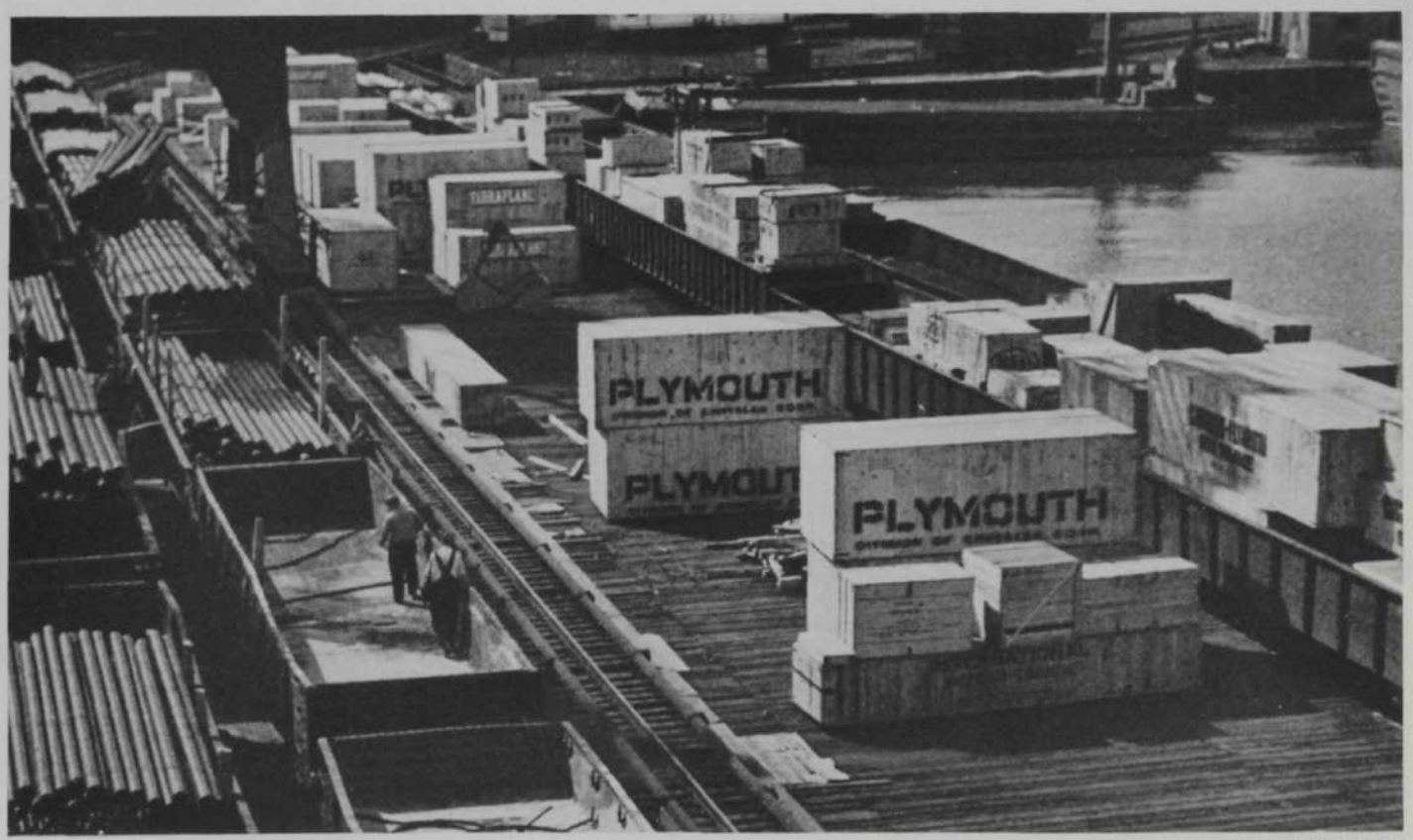
These figures are most illuminating.

First of all, in spite of an average engine size nearly twice as high as that of his British competitor, in spite of a tariff of 33⅓ per cent, in spite of delivering a larger, roomier and more commodious vehicle, the American manufacturer finds it possible to offer in England, a highly industrialized country, a car in approximately the same price range as its native competitor.

Next we see that the American designer finds it possible to give the engine far less duty to perform since duty may certainly be measured by pounds weight of car divided by the cubic centimeter displacement. Compare the American figure of 0.92 with that of 1.51 for the British closed car. As engine power goes up, so does the weight of the power plant, and so do the stresses and strains imposed on every part of the car. For this reason, it is proof of great engineering skill that the American designers and builders have been able to keep this ratio of weight to engine down to a minimum and yet maintain ruggedness and reliability.

This minimum ratio of weight to power partially explains the overall superiority in performance which the

(Continued on page 131)



EWING GALLOWAY

Willingness of American manufacturers to adapt their models to meet foreign preferences is one reason for scenes like this. These cars are awaiting shipment abroad

The Search for NRA's Successor

By H. J. KENNER

ANSWERING the pertinent question "After NRA, what?" with the thought that voluntary agencies can solve the trade practice problem

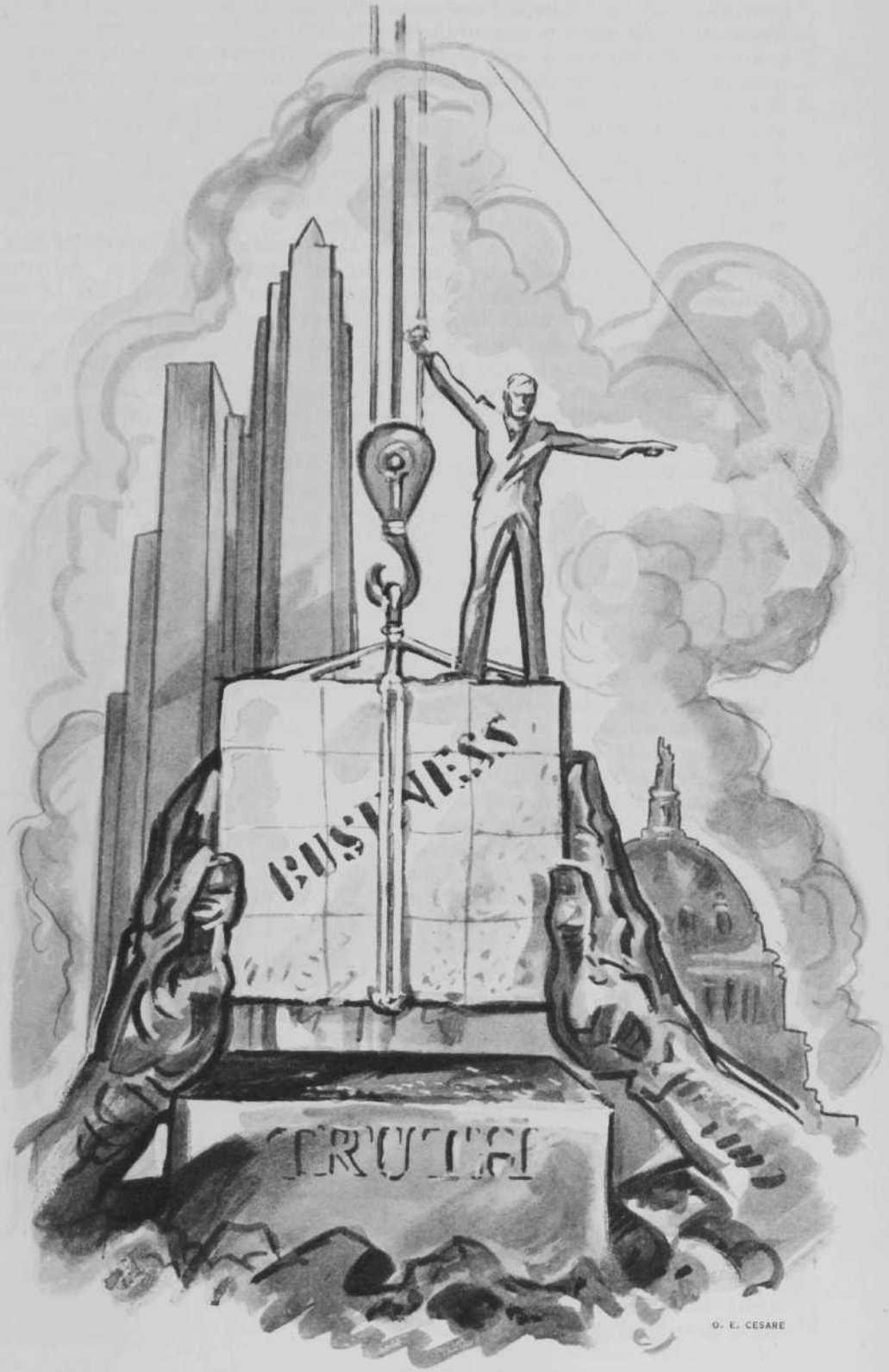
TO SOME, perhaps, the most amazing phenomenon of the past several years has been the persistent suggestion that business is both unwilling and incapable of regulating itself. The explanation is simple. There still are cynics, but not all are philosophical; some are political. In fact, it is the political pessimist who seems to find his greatest opportunity in continually picturing business as mulish and stupid if not inherently dishonest. Therefore, he argues, there is need for more and more laws, entering into the minutiae of human activity, and their enforcement by compulsion.

In 1913 William C. Redfield, Secretary of Commerce under President Wilson, told the Associated Advertising Clubs:

> The pessimist can find numerous examples in our business affairs to support his cynical philosophy, but it cannot be doubted by anyone, who with sober judgment will consider the whole range of business and industrial life, that moral forces are sovereign therein.

That was 24 years ago—and there are still a good many Americans in public office as well as private business who believe that moral forces continue to be sovereign.

The convention to which Mr. Redfield's remarks were directed was coincident with two really significant events in business history. A year earlier, chambers of commerce and commercial organizations throughout the country had organized themselves nationally into the Chamber of Commerce of the United States —the concrete expression of a widespread desire to contribute to the character as well as to the prosper-



" 'Truth is the cornerstone of all honorable and successful business.' On this cornerstone we strive to build our business"

ity of individual enterprises. The same year advertising clubs had begun to establish "Vigilance Committees." Out of that activity grew the Truth-in-Advertising movement—voluntarily impelled—and out of this movement have developed the Better Business Bureaus, which are functioning in 60 principal cities.

In the quarter century since these three events took place, many changes are to be noted outwardly, but inwardly the problem remains the same. Like the Golden Rule, the principles of fair competition are generally understood, but often their practical application is not. It is a question of fact. Fact-finding organizations are necessary. These must be skilled and specialized. Facts require constant checking and rechecking. Where the facts show deliberate trespass of the law, correction can and should be by law. Where the difficulty concerns the intangibles of human action, or where the so-called "twilight zone" is involved, then correction can come only by the activity of voluntary organizations, such as the better business bureaus, the chambers of commerce and the trade associations.

The ethics of advertising

IT IS most fortunate that voluntary discipline was undertaken when advertising was yet in its infancy. The fundamental element in advertising is fact. Selling effort which is inaccurate—no matter whether through ignorance or design—is unfair to both customer and competitor. Eventually it proves fatal to the concern that employs it.

Regulation of advertising through voluntary agencies began 25 years ago because business wanted to regulate itself. This regulation revealed the conscience of business actively at work. It was first investigational, then educational. Sales managers and advertising writers were asked:

"What do you know of the goods you are advertising?"

"What do you want the public to believe?"

"What has the public a right to believe from your copy?"

Out of these questions developed recommendations concerning descriptions of whatever was offered for sale, whether service, securities or merchandise. And from accumulating descriptions and the rapid multiplication of experiences in practical business transactions, have developed standards of practice of real usefulness.

Voluntary organization activity on a nation-wide scale was given further impetus in 1929, when the first National Conference on the Prevention of Fraudulent Transactions in Securities was held. The Chamber of Commerce of the United States was an active participant, as were nearly a score of others, including the Better Business Bureaus, the American Association of Personal Finance Companies, American Bankers Association, Associated Stock Exchanges, New York Stock Exchange, New York Curb Exchange, Chicago Stock Exchange, Boston Stock Exchange, Investment Bankers Association of America, Mortgage Bankers Association of America, National Association of Owners of Railroad & Public Utility Securities, National Association of Real Estate Boards, National Association of Securities Commissioners, and the National Conference of Commissioners on Uniform State Laws.

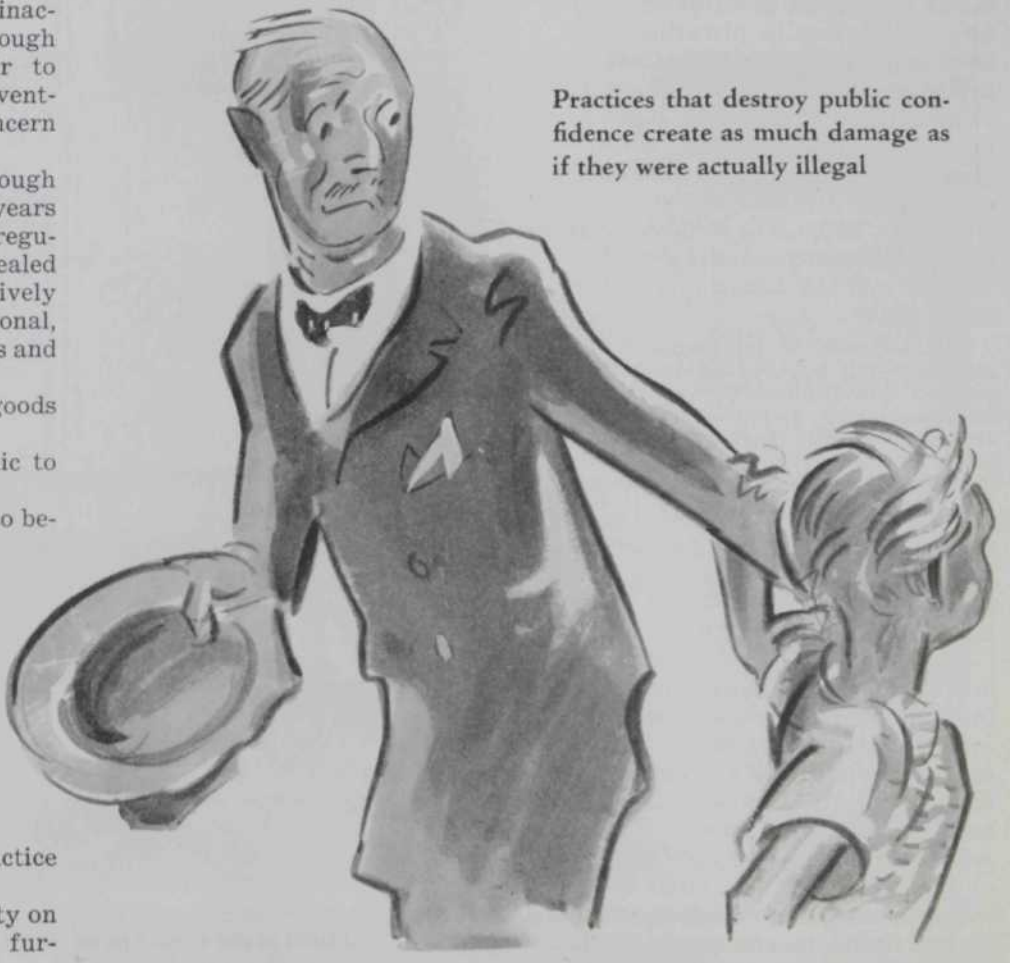
It was natural and inevitable that, out of this cooperative activity, should come a specific plan of cooperation with the Securities and Exchange Commission. This was brought about in April, 1935, with the Commission establishing a new department known as the Securities Violation Section. Stephen P. Toadvine, manager of the Better Business Bureau of Syracuse, was invited to join the staff of the Commission as a special consultant and organize the proposed service. This section published its first bulletin in June, 1935, and since then has distributed monthly bulletins to law enforcement agencies throughout the United States and to voluntary organizations engaged in securities fraud-protection work, as a clearing-house of facts.

Laws have limited value

THE practical reason for this mutually desirable cooperation was explained by George C. Mathews, a member of the Securities and Exchange Commission, who, in 1934, told the twentieth annual conference of the National Association of Better Business Bureaus:

> In the prevention of violations of the law and in the investigation of practices which are in violation, there is a distinct opportunity for cooperation between your organizations and the Commission. . . . At least half of the cases which the Commission has had occasion to refer to the Post Office Department or to the Attorney General under the Securities Act of 1933 have been brought to its attention either by better business bureaus of the country or by the state securities departments.

Practical experience has shown, particularly in the retail field, that voluntary trade standards in the aggregate have far more weight, value and usefulness than legal mandates. It is possible, in some instances, to move through judicial proceedings



Practices that destroy public confidence create as much damage as if they were actually illegal

with good effect against unfair trade practices but it is not possible so to move in a wide range of practices that are not illegal, though none the less destructive. More often than not, those practices that are not strictly illegal destroy the consumers' confidence and create as much damage and indignation in trade as though they were illegal.

Government itself supplies conclusive proof of the absolute necessity to obtain voluntary action, even in cases where strictly legal issues are involved. As early as 1919, the Federal Trade Commission began holding conferences with representatives of various industries. Practically from the beginning, but more particularly for the past 15 years, voluntary organizations have been working closely with this body in both the disciplinary and preventive phases.

Facts must be the basis of cease and desist orders and in hundreds of instances it has been found most practicable to obtain these facts through the activity of voluntary organizations.

So, too, in the evolution of voluntary trade standards. If these standards are to be workable, they must be acceptable and, to be acceptable, it is almost necessary that they be initiated by business rather than Government. The fact that the Federal Trade Commission has recognized this explains to a large extent the success of its work.

Business men know, through their active participation in the work of the local chambers of commerce and the National Chamber, as well as the various better business bureaus, that the National Industrial Recovery Act, instead of being the opening bugle blast for an attack by reformers on business corruption, was simply the long-delayed echo of quiet but effective work, which had been going on among business men. Two years before NRA came into being the better business bureaus appointed a Special Committee on Fair Practice in Advertising and Selling and, in February, 1932, a set of fair practice standards for retail advertising and selling was brought out.

In September of that year, the National Retail Dry Goods Association adopted this fair practice code and eventually both the rules and many of the leading figures who helped to evolve these rules rendered faithful service within the ranks of NRA.



The two-year experiment of the National Industrial Recovery Act has left an unfortunate impression in some quarters that all business was mainly corrupt, and that, regardless of the ill repute into which the NRA inevitably fell, another attempt at rigid compulsion must be made. The NRA collapsed according to law because it was unconstitutional. As a matter of fact, it had collapsed long before the Supreme Court rendered its decision in the Schechter case. The principal shortcomings of the NRA as typical of compulsion have been summarized as follows:

1. The frantic haste with which all trades and industries were regimented into code-building. Some had no experience with which to codify practices and little need for doing so.
2. The delay to recovery, which was on its way, due to the effort to achieve quick reform.
3. The premature use of the Blue Eagle insignia to inspire the public to patronize only those dealers and products which displayed the Blue Eagle as evidence of compliance with NRA regulations.
4. The compulsory arrangement for competitors to sit in judgment on competitors.
5. The lack of alert and resultful action against real offenders by the National Recovery Administration at Washington.

Voluntary standards best

AFTER NRA, what? is still a pertinent question. Many believe that, if wages and hours should be cared for by adequate legislation, then what are commonly known as fair trade practices should be left largely, if not wholly, to individual responsibility. This responsibility entails the continued, vigorous activity of voluntary agencies. The same machinery that ascertains the facts about misrepresentation in advertising or selling or disparagement of competitors, points the way to what rules should be adopted as standard. Standards once adopted must be enforced.

Here again, facts are necessary. If the enforcement of standards of fair practice is to be limited to that which is obviously illegal, then (if we are to trust experience of these 25 years) most of the insidious and highly destructive bad practices will go uncorrected. The reason is that most of these offenses lie in the "twilight zone" and moral suasion, reason and fact, brought to bear by a voluntary organization, alone provide the answer.

Voluntary standards of fair practice now run into the hundreds. They embrace examples in almost every division of trade, industry, finance and transportation. Most of them antedate the NRA. Few born merely

(Continued on page 138)

Let's Get Our Workers

By WILLIAM FEATHER



The first three workers in this row are employed by an airline, a printer and a drive-in restaurant. The last two are dairy workers. Can you imagine them doing these same jobs in overalls?

THERE is a shortage of skilled workmen in this country, and this shortage will become increasingly acute in the years immediately ahead.

The reason is that too few boys care to learn or follow a trade. Why?

To suggest the answer is the purpose of this article.

So far as we can learn, the schools are doing their job as well as they can. They offer a multitude of practical training courses. In the technical high schools of the cities everything is taught, from carpentering to tailoring. The tendency, unfortunately, is for these courses to be elected by youngsters who can't make the grade in the academic schools.

To get to the source of the trouble immediately, we are of the opinion that there is altogether too much glorification in this country of white-collar executives. Every girl hopes to marry a man whose office hours will be from nine to four with a month's vacation with pay. She can't see a future for herself and her expected children with a man who works with his hands and who gets soot in his hair and grease on his face.

The girls set the ideals for the boys, and the boys try to measure up to these ideals. Unless I am mistaken, the American girl's ideal of a future partner is a boy with a clean neck, a recent haircut, manicured nails, polished shoes, and a smooth manner on the dance floor and in sophisticated places.

Disadvantages of a trade

A BOY who elects to learn a trade is beaten from the start. His nails break, calluses form on his hands, and he is too tired to brush up at the end of the day. He prefers to spend his evenings in a neighborhood movie where he will be inconspicuous, and from which he can escape and get to bed early.

His choice is a serious one because at the very beginning of his career he is compelled to turn his back on what is uppermost in his mind—the companionship and admiration of an attractive girl. Unless he puts aside the thought of courtship for a few years, he must turn to some one like himself who works for a living with her hands, perhaps in a factory, and who knows that getting a living is stern business.

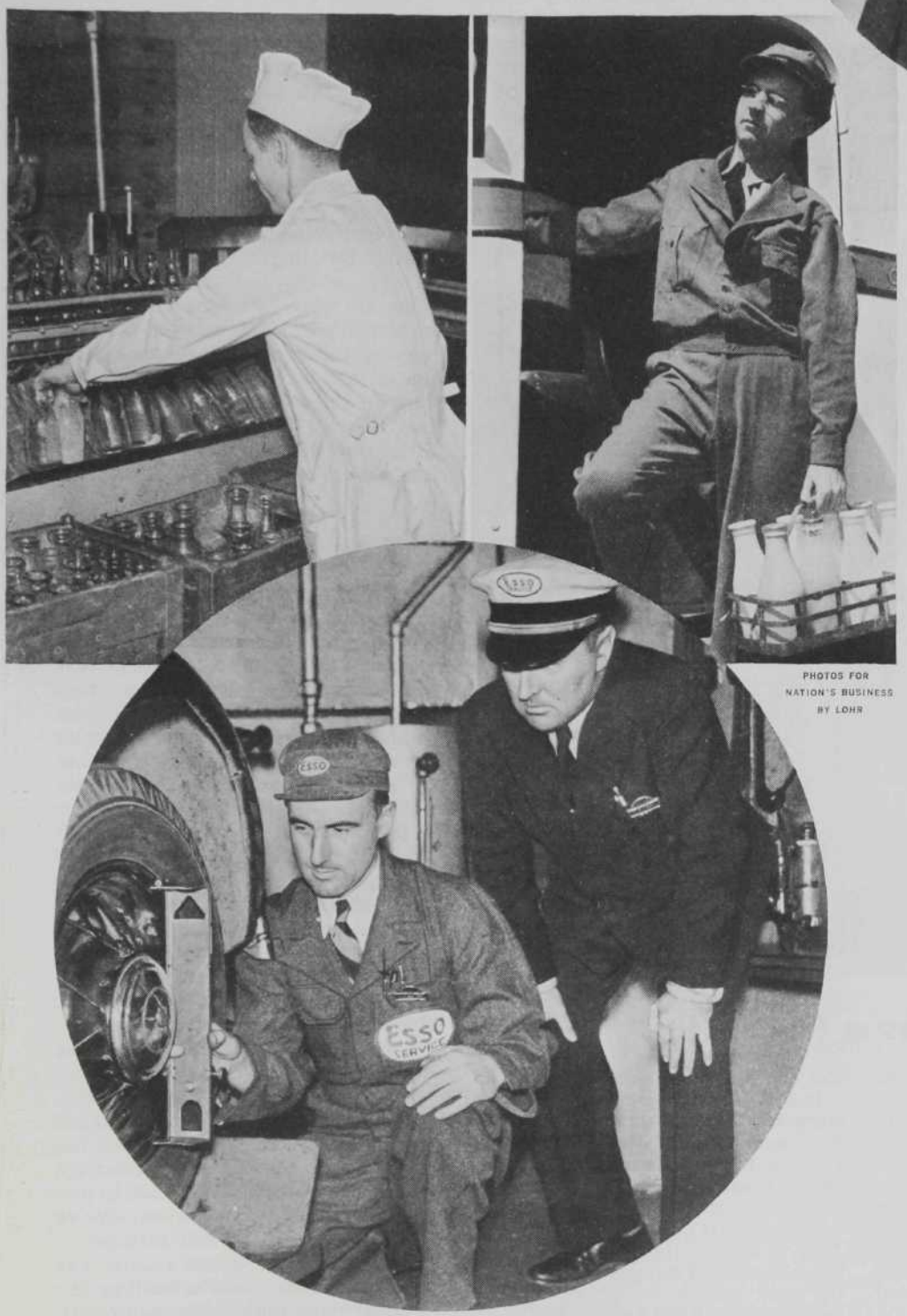
That tens of thousands, by such reasoning, are dissuaded each year from entering honorable trades and acquiring skills that will be sterling assets to them all their lives is an obvious truth. Not only do they have to fight their own instincts and desires, but they have to fight the hopes of their mothers and prospective mothers-in-law. If I seem to be bearing down on the women, I am sorry

Out of Overalls

COULD a few tailors with imagination end our shortage of skilled workers? Mr. Feather makes it look as if their art might do so



The doorman's uniform gives class not only to the hotel, but to the man



PHOTOS FOR NATION'S BUSINESS BY LOHR

The idea in practice. Two of the three uniforms used for workers in a large garage are shown here

because these observations are put down with the deepest regret.

For many years, we have been saddened by the disillusionment which is the inevitable harvest of three-fourths of the youth of this country. The depression intensified what was as sure as death. There just wasn't room for all the young men who wanted to be business executives and all the young women who wanted to be secretaries.

A career or a job?

A YOUNG man, the son of a well-to-do family, called on an attorney, the father of his girl friend, and asked him if he did not think that he would be wise if he studied law for three years before he entered business. He had heard that a knowledge of law gave a business man a big advantage and he wanted to begin his career with a lot of stuff on the ball. My friend reflected that law is learned by practicing more than by studying and he wondered where the young man would find himself at 30 years of age, if he gave up so much time for preparation. He concluded that the young man didn't want a job; he wanted a career, and he wanted the career to be guaranteed.

If our youth could somehow become interested in acquiring skill instead of acquiring easy hours and the prestige of association with banks and stockbrokers, we might make radical and permanent inroads on the unemployment that plagues us. What the well-dressed executive will wear is the breath of life to many trades and

industries, but the question of who will put on the overalls is of first importance to the nation.

This brings us to the main theme of our discourse. We are wondering if we ought not to get rid of overalls in this country and concentrate on snappier and more suitable costumes for those who are skilled manual workers. A good start in this direction has been made. Bus and truck drivers, gasoline station attendants, messenger boys, conductors and motormen, bandsmen, waiters, chefs, and bus boys wear clothes that distinguish them.

Like the flag, the uniform demands that its wearer respect it, and conduct himself in a worthy manner.

This suggestion may be out of place in a democracy where all men are supposed to be equal, and free to dress as they please, but the way girls go for uniforms convinces me that something has been overlooked by the makers of clothing and the employers of workers.

The boss plumber who does the work at my house tells me his greatest difficulty is to find men who will behave like gentlemen. His men get $1.60 an hour, but they appear for work in smelly clothes and shoot tobacco juice into wash bowls, toilets, and bathtubs.

Baseball players are recruited from all grades of the social scale, and the work they do is hot, sweaty and tiresome. If they played in dirty clothes of their own choosing and left the park for their hotels without changing, they would quickly lose the respect not only of the fans but of themselves.

It is not clear to me why steel, automobile, tire, and machine shop workers cannot devise clothing that will express some of the imagination used by cowboys and lumberjacks, in the design of their costumes.

That marks of craft identification are prized was revealed to me by a newspaperman who said that newspaper photographers disliked to exchange their heavy and cumbersome cameras for the modern miniature cameras that can be carried in a coat pocket. A man with a big camera is obviously a newspaper photographer, but a man with a small one might be anybody.

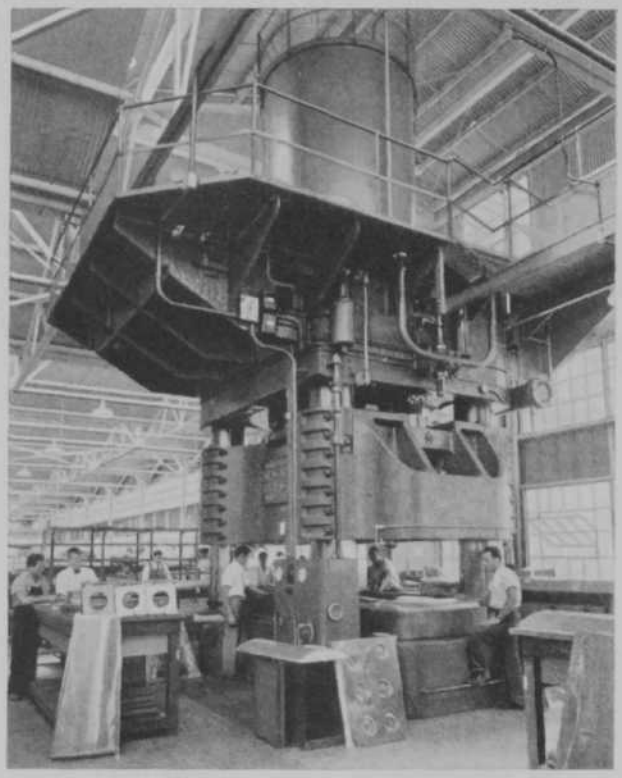
Puttees, khaki shirts, and hats of distinctive shapes, indicating rank, might be the universal costume of outdoor workers. Attired in such a costume, the Italian foreman of a gang of laborers, doing a landscaping job at my house last year, looked like a general.

I realize that there isn't any way of giving personal credit to all the men who helped to build the Empire State Building, the Washington Bridge, or the Holland Tunnel, but there are ways by which samples can be exploited. Most sandlot baseball players think of themselves as potential big league players, and they bask in the glory that comes to the Lou Gehrigs and Bob Fellers. Something like this should be possible in less glamourous skills, since glamour is mostly a creation of publicity.

The correspondence schools and the night schools do an outstanding job of turning the ambitions of young men toward trades for which only modest preparation is necessary. They get the relatively unimportant worker into the center of the picture and show him as part of a great hydro-electric development. If thousands of alumni can insanely identify themselves with the football fortunes of their *alma mater* 30 years after graduation, it should be possible for an equal number of young and middle-aged workmen to get a thrill out of being part of the Bell Telephone System. Incidentally this great organization does an outstanding job of getting its people into the picture, rarely overlooking the opportunity to exploit the unusual service and courage of an obscure worker.

Deep in all of us is this passion for self-esteem which is largely the by-product of recognition. Farmers never tire of being told by politicians that they are the backbone of the nation and a vote for a man who says this effectively is a small price to pay for being told you're good. We've flattered the women and farmers in and out of season in this country but we haven't done much to build up the city man who makes his living with his hands. To this task let's now dedicate ourselves.

BELLRINGERS



Big as a House

NINE heavy duty, 12-wheel flat cars were required to move this hydraulic press from the plant of its maker, the Hydraulic Press Manufacturing Company in Mount Gilead, Ohio, to the Douglas Aircraft Company in California, where it will be used to shape, form and punch several unrelated aircraft parts at a single pressing. Three thousand aircraft parts of aluminum alloy will be shaped on this and another press of similar type.

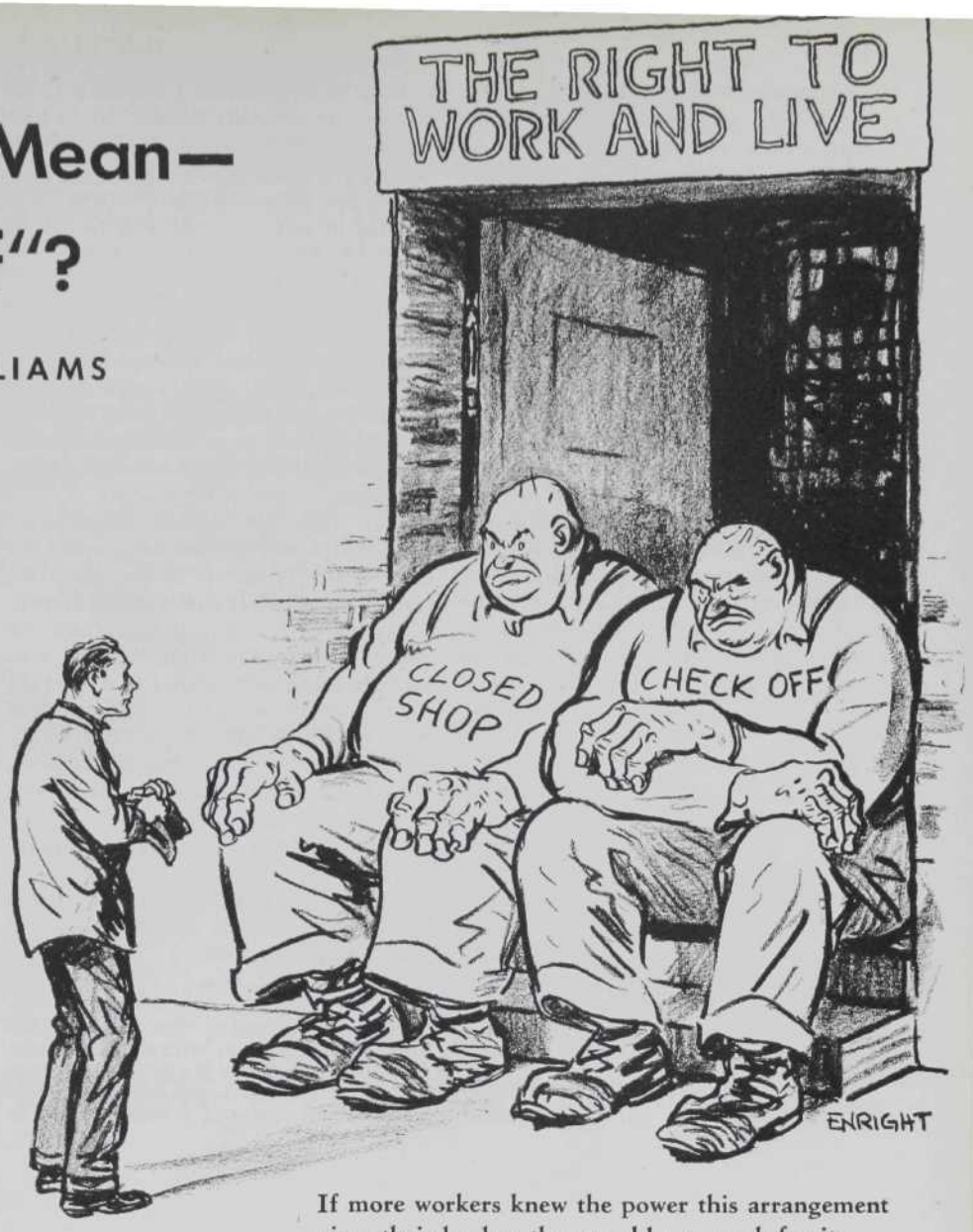
It is as tall as a regulation four-story building and covers as much floor space as the average home. Each of the eight strain rod nuts on the press weighs as much as a Ford V-8 and the press itself weighs 840,000 pounds.

Oil is used as the pressing fluid. The oil reservoir mounted on top of the press contains enough oil to fill crankcases of 2,000 automobiles.

What D'You Mean—"Check-Off"?

By WHITING WILLIAMS

AN article that every employer will want to show to his employees, not only for his own protection but for theirs as well



If more workers knew the power this arrangement gives their leaders they would never ask for it

Dear Mr. Employer:

YOUR LETTER, I take it, boils down to the double query—"Just what *is* the Check-off and What should I *do* about it?"

One: As to the first, you certainly have plenty of company: I'm constantly surprised at the number of employers as also of employees who ask this same question. Still, that's probably a good sign because, outside the coal miners, an extremely small percentage of either employers or workers has to date had any experience with this particular arrangement. That hardly changes the fact, however, that, if even half the recently uttered threats prove true, we'll soon be hearing vastly more about it.

So it's high time to point out that the Check-off is, in actual practice, amazingly different from what it at first glance *appears* to be. It is *not* a scheme whereby an employee merely requests his employer to hand over directly to the union treasurer the dues, assessments and penalties of his union membership for a certain period on the understanding that, at some specified later date, he will repeat his request. In the few instances where this has been the actual arrangement, it has permitted the employer to know from month to month the actual number of his unionized employees—as also to note that this often dwindles from an early high just after the strike and the signing of peace down to a later insignificant low, if not indeed, to complete extinction.

Needless to say, such a free-will arrangement isn't worth any experienced leader's fighting for. As actually practiced on any large scale, accordingly, the arrangement is altogether different. There the worker's request to his employer runs roughly like this:

> I hereby authorize you to deduct each month the sum of $—— as membership dues, plus whatever assessments or penalties may be levied upon the membership of Local #——, on the understanding that this request is *subject to revocation only by the officers of Local #——.*

Power for the officers

IT IS, of course, exactly this surprising "catch"—this abandonment by the member of his right ever to change his mind—that makes the plan God's greatest gift to the labor leader! If he can only get the employer to sign up for the Closed Shop and the Check-off, he is likely to have slight difficulty in getting everybody to "Sign there"—without careful reading—for putting himself not only into a perfect Heaven but in a perfect Heaven *permanently.* Thereafter he need do nothing except spend the money or send it to his national boss for political or other purposes and neither member nor employer has any comeback forever and ever, Amen!

Suppose a dues-payer gets tired and asks that his deductions be no longer made. Very nice—except that the accompanying Closed Shop set-up permits his leaders to report to his employer that, the man's dues being unpaid, he is no longer a member and must therefore be discharged! Under such circumstances, the man would probably be lucky if he was allowed to atone for such disloyalty by paying a fine of, say, $150. And, unless he wanted to lose his livelihood throughout the length and breadth of such a closed-shop industry, he'd pay it, too!

Do you wonder that I feel sure that

few average workers would be likely to sign such a double-back-acting request with their eyes open? Fact is that if more workers knew the colossal power which the Closed Shop with or without the Check-off really gives to their leaders, the demand would surely never be made except in industries afflicted, like coal, by abnormal conditions.

Retaliation on workers

HERE'S how it works out:

In a certain mid-west city a group of radicals lately "won" the Closed Shop. When operations were resumed, a number of the oldest, longest-serviced, most skilled employees brought in their initiation dues—also their apologies to the victorious leaders for not having participated in the strike. Only to be told the awful news!—their applications were rejected!

As a result, many of them have ever since been on relief. Their places were filled by a bunch of riff-raff friends of the leaders—men who hadn't had a job in years but who had continued to retain the good will of their now all-powerful side-kicks.

In all this, the employer, having signed for the whole thing without knowing from experience just what he was doing, was, of course, completely helpless.

In that same city—now virtually closed-shop in that particular industry—a highly skilled craftsman who not so long ago was head of this same union has lately been reduced to near-beggary. Because he can't pay the heavy fine assessed against him for a certain misstep, he can get no job in his field. Whenever, furthermore, he tries to keep going by setting himself up in business as a small contractor and hence his own employer, his former friends and fellow-officers of the union send pickets out against him. This has happened so often that now no one will give him anything but the smallest, behind-closed-doors, contract.

Was this man—this ex-leader—thus completely ruined because he became a deadly enemy of his organization? Not at all. It came about merely because, as the union secretary, he made the mistake of backing a certain member who ran for a certain union sub-office and lost! Thereafter that man's friends were completely annihilated not merely as union members but as craftsmen by their victorious enemies.

If the Closed Shop were common enough to allow more workers to taste such a dreadful situation, there would doubtless be many more such union-members as I encountered lately:

I'm for the union, but not for the Closed Shop, with or without the Check-off.—Why? Because I know our leaders here well enough to know that, if the treasury got low and I happened to be arrested for, say, speeding, they'd suddenly go pious and tell me I could square myself for "lowering the union standards" only by paying over a penalty of $100!—And of course I'd have to come across or lose my job!

"Why couldn't such men sue their organization?"

Because to date such plaintiffs have been given no standing in court; at least not until some high court awards, and helps collect, some part of that $700,000 for which seven women in Atlanta have lately brought suit against the International Ladies Garment Workers for expelling them and thus depriving them of their "human right to earn a living."

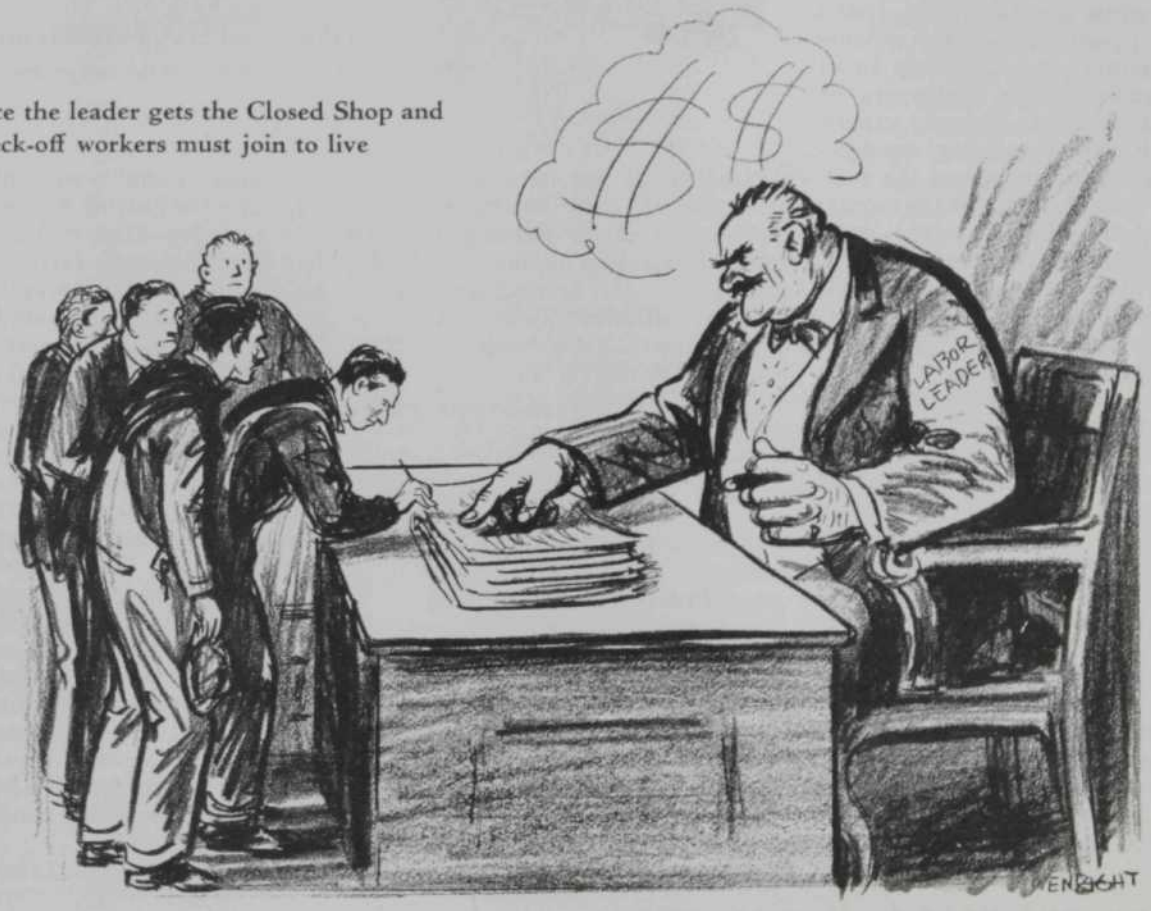
Opposed by Gompers

ALL this explains why long-headed Sam Gompers always opposed the Closed Shop as giving to a small group of leaders a power over the very lives of their members resembling "economic decapitation." And why the British unions—in company with our own Railway Brotherhoods—have long been opposed to lodging such life-and-death control in anyone's hands.

Even without the present British law which prohibits the Closed Shop, the notably high-calibered leaders over there are smart enough and far-seeing enough to join their members in fearing that such complete power could not fail in time to make the

(Continued on page 112)

Once the leader gets the Closed Shop and Check-off workers must join to live





BLAKESLEE-LANE STUDIO

The Community Placement Bureau, Inc., strives to readjust occupationally those who ask its assistance



HOLMES I. METTEE

Baltimore Launches An Age Movement

By HOWARD BRUCE

THE telephone rings in the offices of the Community Placement Bureau.

"Can't you possibly find a job for me? I'm more than 50 but I have some education and, honestly, I can work as well as I ever did. You see, I've got a wife and four children . . ."

There is hesitation and fear as well as urgent need in the voice of the man who is calling . . . hope, too, because he has heard something about this new bureau, organized only a short time ago for the express purpose of finding employment for men and women like himself who, although past the usual recognized employable age, still find themselves strong, virile, and experienced.

The Bureau believes that it can find him work. It tells him to come in and register and state his qualifications. The chances are, moreover, that it really will get him a job.

Established last August (1937) in Baltimore, the agency is unique in the United States. Its purpose is dual. Not only does it go about this business of obtaining employment for persons of 45 and more but it is trying through education and publicity to arouse public opinion to the end that there will be real community cooperation in attaining its goal.

The tendency of industrial development in recent years has been to put more and more premium on youth in industry. In addition to this natural result of competitive efficiency, many large employers have instituted pension systems to which employees contribute. If such pension funds are to be self-supporting, the employee must contribute for approximately 20 years. This means that, if a man is to be subject to retirement at 65, he cannot be employed after he is 45. As a result of all these influences, a strong prejudice has grown against employing older men.

Social service has something lacking

THIS country has gone a long way in its social service. It takes care of the aged; it takes care of dependent children, and it takes care of many other forms of relief but it has left completely out of the scheme of social service the individual beyond 45 who is a problem case and does not wish to find himself on relief. The very public authorities which must support him, if necessary, have themselves set up the rigid age barrier that renders him dependent.

My first interest in this subject arose from the fact that for many years I have been a large employer of labor and have prided myself upon our relationships with our employees. At any rate, the result of this relationship is that many people who have been associated with me feel that they have a right to come to me when in distress.

I have been approached literally by hundreds of people

advanced in years. Over and over, I have heard them say: "Nobody wants me—I am too old."

Recently here in Maryland we undertook to see what we could do about this condition.

A year or two ago we had formed a small adjunct to the Baltimore Community Fund organization that undertook to take care of these cases. Its activities grew from a mere skeleton organization until last year it placed 832 persons.

This summer we decided to expand our activities. The cooperation of a considerable number of representative business men was enlisted and the Community Placement Bureau organized. We brought to its Board a number of leading executives and formed an advisory committee, including the largest personnel directors of Baltimore.

Business men cooperated

WE realized naturally that the Bureau would be overwhelmed with applicants and, indeed, so great was the demand that, at the end of a week, it was forced to move into larger quarters.

But best of all were the offers of help from Baltimore business men. Here is a letter from a mill concern which speaks for itself.

> You are seeking to place men more than 45 years old. We, on the other hand, are seeking employees 45 years of age or more who are skilled in our line. We can use and will be glad to employ bench and machine hands who have had previous experience in millwork. We shall be glad to interview any whom you recommend.

You will wonder how this agency differs from any other ordinary employment bureau. To begin with, it strives to readjust *occupationally* those who ask its help; it investigates thoroughly the needs of its clients and takes into consideration the requirements of the employer; it does not duplicate the work of any existing non-fee-charging placement service and it works in cooperation with the National Reemployment Service. For its support it must look to funds allotted to it by the sustaining agencies of the Community Fund.

The ordinary employment service makes little investigation into either the man or the job to which he is referred. The Bureau, however, works on the basis of specialized "case" service. In other words, before a client is even sent to the Bureau, the agency which has referred him has forwarded a confidential report as to his background, family circumstances, domestic difficulties, illnesses, police record, if any, and all other facts which may mitigate for or against his employment.

The Bureau, by its very nature, receives many odd requests and sometimes its resourcefulness is strained to the breaking point. One day the telephone rang and a man's voice asked if the Bureau would be kind enough to "dig up" a person to take a job as a "corpse" at a mortimatics demonstration.

Rising to the occasion, the Bureau consulted a dictionary and learned that "mortimatics" meant the practice of grooming clients for funerals. The "corpse" was wanted for a medical convention. So "Robert Johnston," aged 30, weight 190 pounds, height five feet, 11 inches, health excellent, duly lived, "died," was morticized and revived completely every evening for three nights running.

Sometimes before the man is in condition to assume a position, it may be necessary for the Bureau to arrange such things as housing, new clothing, carfare, legal aid or even hospitalization.

For example, "Henry Brown" was a skilled steel worker in a large Baltimore mill. For 32 years he had slowly been going blind, due to an injury he had received as a lad on his father's woodpile. Despite the severe injury to one eye, he had managed to hold his job for nine years out of special consideration. Then, with the beginning of the tenth year, the shadows began to creep across the other eye.

Henry's foreman was sorry—sticking on any longer had become dangerous—so Henry lost his job. There were four small children and a wife. When the last of his savings was gone, he appealed to a local agency for help. His case eventually reached the Bureau.

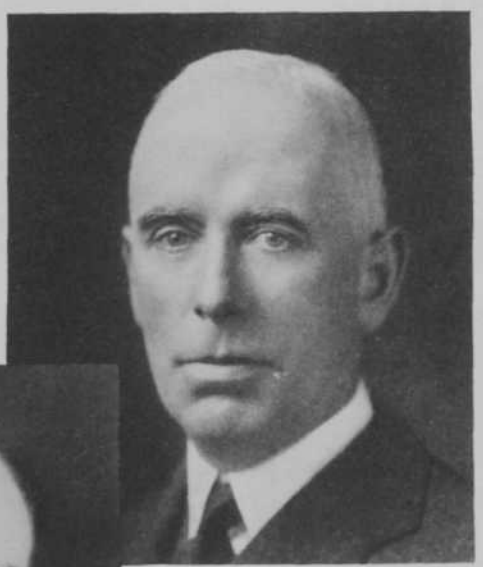
"I know that the doctors have said that there's no hope, but you must see them again," urged the Bureau.

Six experts were consulted. They doubted that there was any hope and declined to do anything. But at the Wilmer Clinic of the Johns Hopkins Hospital, one young doctor said:

"Well, there's just one chance in a thousand . . ."

Brown took that one chance in a thousand. And his long-shot won. Today, after 32 years, his sight is almost as good as ever and in time it will be perfect. He is back on his old job again through efforts of the Bureau, the shadows dispelled from his life as truly as from his eyes.

There are little jobs, however, as well as big ones. For instance, a local hotel called upon the Bureau to supply a midget. Astounded, it learned that he was wanted to serve as a page. The agency came through successfully. The midget was supplied but, sad to say, he developed a bad case of the fidgets and lasted only a short time.





Mr. Bruce, president of the Bureau, has long been large employer of labor

Bureau Director is Harry W. Rolker. Leading personnel directors give the organization their support

Keeping still

I RECALL another humorous incident which occurred when the Bureau appealed for work for its clients.

"I could use a man who looks like Abraham Lincoln if he could keep still for long stretches," responded one employer. From the long list of applicants such a man was selected and the proposition put up to him.

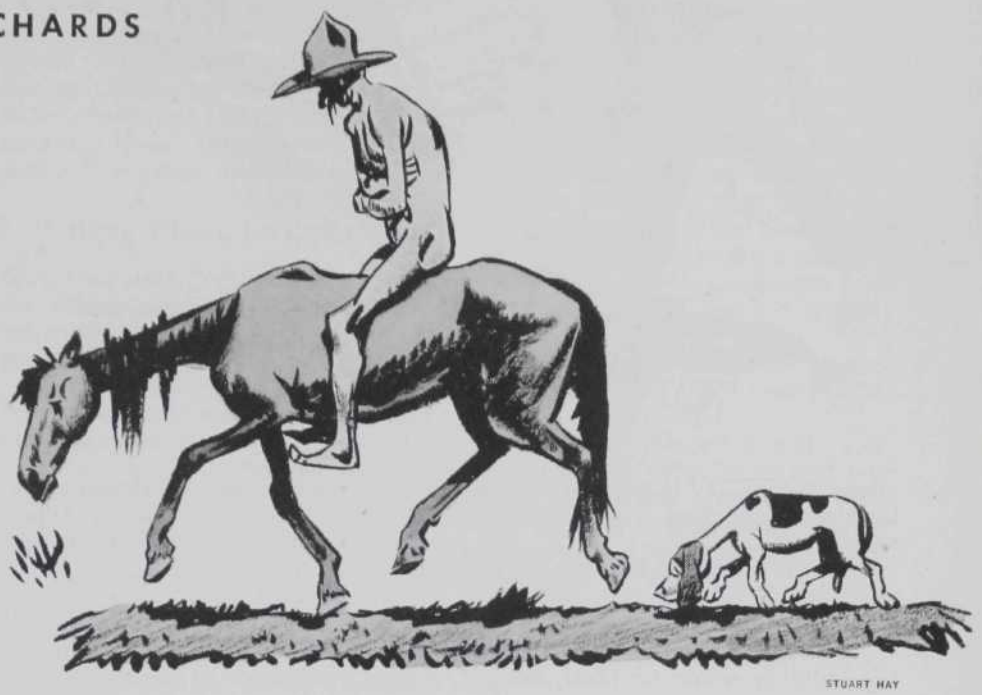
"Can I keep still?" he repeated. "Me that's just finished doing a stretch of ten years in a five by nine cell in the Pen?"

(Cont. on page 118)

They Come In on Every Train

By ALBERT A. RICHARDS

ALSO by bus, airplane, private automobile and possibly on foot and every one of them brings with him an idea for getting something for nothing



STUART HAY

He may have to ride home wearing only a sun-tan suit

"YES, seh, there is a right smart of oddities around. They come in on every train," drawls "The Virginian" in Owen Wister's novel of the same name. And, though the Virginian's shaft of gentle satire was aimed at his new tenderfoot acquaintance, and his amused contempt for the naïve city-bred product suited that period and place, today it would be wise for the resourceful individual in chaps to revise his estimate of recent arrivals at the village depot.

It would be discretion for him to place his month's pay in the town's strong-box and check his silver mounted saddle and six-guns with the sheriff. That might assure him he would not be forced to ride his pinto bareback to the ranch house, clad only in a sun-tan suit. For, "They" who come in on every train will include a generous assortment of business parasites engaged in phoney promotion.

These "Get-Rich-Quick-Wallingfords," have platted the United States from Alabama to Wyoming for a "spending" campaign. The "spending" will be done by towns, villages and even crossroads hamlets, where the effects of business recovery, real or regimented, are stimuli to the civic-minded citizens seeking economic uplift.

Astute, suave individuals, masquerading as "corporations," "firms" and "associations" operating from bases in the larger metropolitan districts have been busy for some time, capitalizing on the American "We must have it" complex. Shrewd legal advisers guide their preliminary steps through the laws and their technique would make my Connecticut ancestor grind his teeth in envy on his own nutmegs.

Agricultural sections with an inheritance of balanced farming will be "sold" the stabilizing influence of factories to keep the young men and women in the home village between harvests, and farm areas where unsound crop speculation has brought unhappiness will see the light when these evangels of socio-economic adjustment take for their text: "Industry is the way to your salvation."

Advance missionary work is more skillful than ever. Simplicity is the mode in stationery and personal letters command respect, throw conservative Town Fathers into a twitter and are businesslike in their approach. Observe:

CLEOPATRA SKINTEX MFG. CORP.
SILK UNDIES

They Make the Form Look Slimmer—
The Men Look Longer

Gentlemen:

We are manufacturers of Ladies' Undergarments and in addition to our present factories are considering one in your town.

We require 22,000 square feet of floor space and good transportation.

We will employ approximately 250 young women and will have an annual pay roll of $100,000.

What attractive inducements can you offer?

CLEOPATRA SKINTEX MFG. CORP.
By: E. Z. Moanay
President

In those towns which lack a board of trade, chamber of commerce or comparable "clearing house," the letter brings a call for volunteers. Property owners with buildings unoccupied since the depression take a new interest in life. The cashier of the bank is given authority to correspond with the "prospect." Some one else makes a lightning calculator's estimate of available "labor."

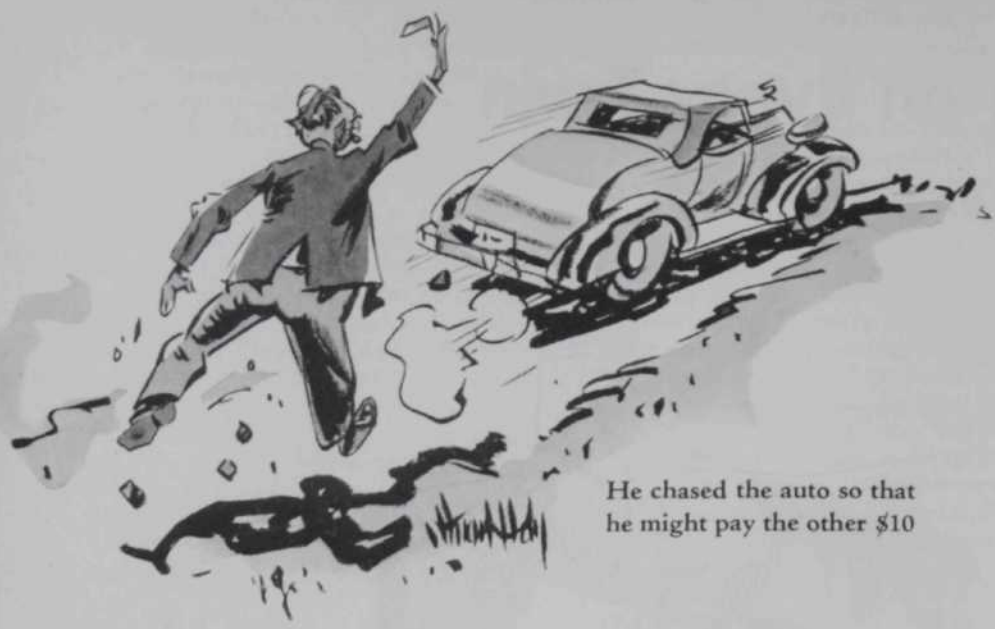
They keep it secret

"SPEED and silence" is the watchword, because it would never, never do for neighboring towns to get wind of Purseville's new enterprise. And, unless some committeeman talks in his sleep, none of the score of towns in the section will know that all of its companion communities have received an identical proposition. Most likely, the "President" and "Manager" arrive on the noon train.

The committee meets them. There is an informal tour of the town in which the carefully guarded conversation between the "President" and the "Manager," does reach committee ears.

"Such a progressive home town, wouldn't you say so, Schmick? . . . How well kept. . . . Natural business instinct. . . . Hope they have what we need. . . . That was a good offer we had from . . . but . . . blah . . . blah."

By the time the hoped-to-be future



He chased the auto so that he might pay the other $10

abode of industry is reached, several buttons are missing from committee waistcoats.

Fast work follows. Leaving out unessential differences, the pattern is about like this:

"With slight alterations, Schmick, the building would be ideal, but—" and then the conference begins.

An impetuous townsman suggests a local group should underwrite the first year's rent. "P." and "M." exhibit shocked pride. Moving machinery (a town like this should have all new equipment, don't you say, Schmick?) is expensive. Suppose taxes were increased or the owner found a better tenant or:

"Gentlemen!"—the "President's" face is suffused with a glow, Schmick registers surprise—"Why not cooperation? We for the town and the town for us?"

And, truth being stranger than fiction, stock sells or money passes easily and freely. The "President" leaves.

Trouble with the machinery

THE "Manager" interviews expectant female labor and drops hints of future needs in "supervisors" and "foremen." He fumes over the delay in arrival of equipment but keeps an eye on the carpenters. A wire (in code) from the "President" cancels a meeting with the committee and orders the "Manager" to go at once if not sooner to the plant shipping the machinery.

"Labor troubles," he whispers from the rear platform as the train pulls out, barely giving him a moment to draw a substantial check from the local bank account.

Crated machinery arrives and the curious speculate. The altruists have already done so but don't know it yet. A week passes and a courteous letter goes to "Cleopatra's" Main Office only to return with the Post Office's depressing notation:

"Moved: Left No Address."

The Committee orders the machinery uncrated and finds it has acquired a collection of the commodity known as "scrap." And, hundreds of miles away the Business Men's League of Durokville sits, with fingers itching to draw their fountain-pens as a purring voice rolls out:

"Such a progressive town, wouldn't you say, Schmick?"

The day is long past when farmers would buy seed wheat found in a Pharaoh's Tomb. Suburbanites, with bucolic repressions, say "Nerts" to the unit-orchard prospectus and tons of watered stock have poured over a lot of dams since "Liquid Air" and "520 Per cent Miller" made headlines. Chambers of commerce and better business bureaus try to guide the unwary, the Post Office issues "Stop Orders," but men and women still get hooked on "sucker bait" as obvious as that just demonstrated.

Beyond blaming it on our national twin-impulse to "Get While the Getting is Good," and "Give Until it Hurts," I have ceased trying to analyze American psychology which allows its inherited horse-trading instincts to be submerged by these costly waves of hokum.

Of course the "grifters" have changed their ballyhoo to keep step with some political concepts, the higher education and the yen for a more abundant life. Today they are pulling out the *vox humana* stop while they chant:

"InDUStries . . . FacTORies . . . T-O-O-R-ists . . . A-AH-a-men!"

But varied is their repertoire and, here is one that touches the heart!

He was rubicund and stalwart. His crisp tones impressed the small town merchant as the latter read the embossed card which informed him he was being visited by ". . . Vice-President of the . . . Retired Traffic Officers' Benevolent Association."

"Fixing" traffic tickets

"WHAT we're trying to do," said the visitor confidentially, as he leaned over the counter, "is to promote happier relations between auto owners in different states. We know you visit over the line often and you're a capable driver and law-abiding citizen.

"It isn't fair to pick on a man like *you* when you run afoul of some petty traffic rule. We've selected you along with other responsible people to whom we're giving special privileges. See?"

Carelessly his coat is brushed open and his listener sees a badge.

"And," the voice continues, "we'll give you *this* card. When you're in a hurry and one of our men stops you, flash this on him and he'll give you a two-finger salute, so, and all's O. K."

To defray expenses of the campaign of good fellowship, a small contribution of $35.00—$50.00 in other



That evening in the

states—had been assessed on new members.

His bargaining sense coming up for air, the merchant got a reduction to $25 by giving the names of several friends, but, as the visitor's auto drove away, he was suddenly stricken by an after-thought and chased the auto until he flagged it.

"You'd better take this other $10," he gasped. "I want to get all the privileges comin' to me."

By a conservative estimate these apostles of good will took $2,000 out of the county.

Spring and the blue-birds had come up from the Southland when an auto with eye-appeal came to a noiseless stop before the little bank and the driver, its only occupant, entered. Without searching, he took a $100 bill from his wallet, passed it under the cashier's window with a winning smile and the request, "Small bills, please. Fives and tens."

He tucked the bills casually into the wallet as he gazed out upon the orderly fields which marched up to the trim village.

"PERfectly adorable spot! What did you say is the name of this town? Strange I've never heard of it."

"Our regional Chamber of Commerce advertises—" the cashier began but stopped when the uncovered head, dark hair simonized, was shaken deprecatingly.

"Deah, DEAH, *DEAH* me! What a gift to those in search of pure PAWStoral beauty and what an income for your people if—" and the rest of the thought was lost in a sigh.

"With the nation on wheels, thousands of tourists should be passing this spot every 24 hours. There should be, oh, what's the use. Can you perchance recommend a hotel? HOW charming! Old Colonial Home, antiques, fried chicken, MY word! Adios, if we don't meet again."

Putting a town on the map

BUT they did! That very evening in the village general store the citizens sat thrilled before this magnetic personality.

As Executive of the "Darkness to Dawn Trail Association," he would give them the benefit of his experience. He was always touched by "lost opportunities" such as this. Chambers of commerce were all right but had no sense of publicity and that was his moving passion. This would be a labor of love, had he not contracts to orient the towns along Route 7-11-44? Not for a moment must they mention money for such services—his drawing account took care of that. Isn't life strange? If he had not taken the wrong detour they might have never met. So he remained, busy as a bee sipping honey.

New roads, dual highways, bridges, a steady flow of golden tourist dollars were Alladinized before the wishful vision of this village and its neighbors. How clearly they could see those things in the "Artist's Conception" on the new map! The mayor of one town gave him a contribution of $250 because "he has done so much for us" (in a 15 minute pep talk); a member of the bar sponsored him for a club membership; and a community tightwad passed over $200 when asked for $100.

Roads and tourists had been denied them, he said, but he would see they got both. Of course, his connections must not be mentioned but several prominently talkative citizens were allowed to get a look at the closing words in a letter from a highway department executive:

"I am keenly interested in the subject matter of your letter and will give it immediate attention." (The letter referred to a highway marker which had been wrecked three counties away.)

A printer's proof of the map came, with local men listed as "Darkness to Dawn Trail Association Directors."

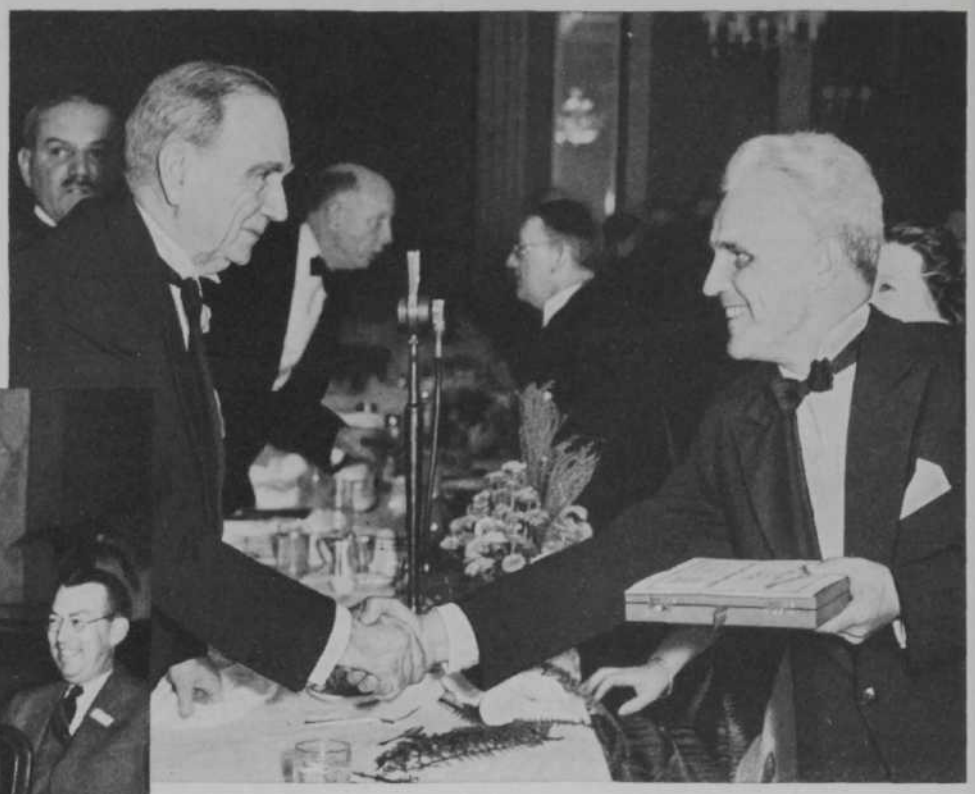
He went south with the blue birds one Sabbath morning after church. His poise perfect, his car serviced, his gross, $10,000 plus. The maps

(Continued on page 120)



village store the citizens sat thrilled by his magnetic personality

National Problems Tackled By Trade Associations



Dr. Wilson Compton, manager of lumber group, receives A.T.A.E. award

Group of A.T.A.E. members. Wm. L. Daly, Herman Fakler, Robert C. Hibben, Henry C. Bahr, King Hoagland





Retiring president Harold Young and executive secretary Sylvia Pacelle

THE recent contest for the American Trade Association Executives award for outstanding achievement of a trade association indicates that, like individual business men who add to the general welfare of a given community by improving their own interests, the most widely recognized campaigns have been those which contributed toward the general welfare of the whole country. Practically every campaign which received a certificate of honor was aimed particularly at some fundamental national problem such as better housing, more attractive communities, highway safety, relief of agricultural surpluses.

First place was won by the National Lumber Manufacturers Association, which, in cooperation with the National Retail Lumber Dealers Association and other associations representing related industries, spent its energy to stimulate small-home construction. More than 1,500 demonstration homes were built in the 48 states on the "model home plan," each at a cost of less than $5,000.

In presenting the awards, Secretary of Commerce Roper called attention to the difficulty in making a choice between the merits of leading contestants. He presented Certificates of Honor to the following:

American Dry Milk Association: For the expansion of its activities, including the compiling of supply and demand statistics and lessening the inroads of "substitute" commodities.

American Trucking Association: For a wider-activities achievement, including the holding of many truck safety contests and improving the Association's traffic rates, legislative service, and statistical services.

Automobile Manufacturers Association: For carrying on an extensive and carefully planned program to lessen the number of traffic accidents, by attacking the basic causes and establishing a permanent body to carry on this fight against a national evil.

National Association of Food Chains: For its eight producer-consumer sales campaigns on surplus agricultural crops.

National Federation of Textiles: For effectively curbing one of the industry's greatest evils—design piracy.

National Glass Distributors Association: For the development of a technique to avoid the former slow and expensive methods of supplying glass to replace breakage in motor vehicles.

National Paint, Varnish & Lacquer Association: For enlisting the cooperation of business generally in creating a demand for paint and all other facilities needed to make homes and surroundings more attractive.

Certificates of recognition were also offered to 22 other associations which submitted exhibits.

Burroughs

4 PAYROLL RECORDS *in* 1 WRITING

COMPLETE SOCIAL SECURITY RECORDS AT A LOW COST

To meet today's payroll accounting needs with a minimum of work and at low cost, Burroughs provides new machines, new features, new developments for writing the records described at the right. Concerns—large and small—in all lines of business—are benefiting by the speed, ease and economy with which one or several of these new Burroughs machines completely handle all payroll records. Investigate. For quick action, telephone your local Burroughs office or, if more convenient, mail the coupon or wire direct today.

1 THE PAYROLL

Complete payroll and check register in one unit shows the gross pay, all deductions, and net pay for all employees. Separate totals for all columns accumulate automatically.

2 EARNINGS RECORD

Complete individual progressive record for each employee shows time worked, gross earnings, deductions, and net pay for any and all periods. Provides information needed for old age benefits, unemployment insurance, and income tax reports.

3 EMPLOYEE'S STATEMENT

This receipt for deductions, which the law requires be given to each employee at each pay period, also shows the individual's gross earnings, all deductions, and net pay. It can be retained permanently by the employee.

4 PAY CHECK or pay envelope

Since the check or pay envelope is written with the above three records, the amount is in perfect accord with these records.



SEND FOR THIS NEW PAYROLL FOLDER!

BURROUGHS ADDING MACHINE COMPANY, 6001 SECOND BLVD., DETROIT, MICH.
Send me the new folder "Modern Payroll Methods"—which includes illustrations of forms for compiling figures required by the Federal Social Security Act.

Name_____ Type of Business_____

Address_____

The Map of the Nation's Business

By FRANK GREENE



Business Conditions as of October 1

SEPTEMBER proved a rather disappointing month. Gains in retail trade were small, and wholesale trade, manufacturing and collections sagged below August and September, last year. The feature was the gathering, free from frost or other damage, of food crops, the yields of which heavily exceeded those of 1936.

Unfavorable happenings of the past month affected the stock market adversely. Building activities failed to show the expected expansion and decreased steel making affected other trades.

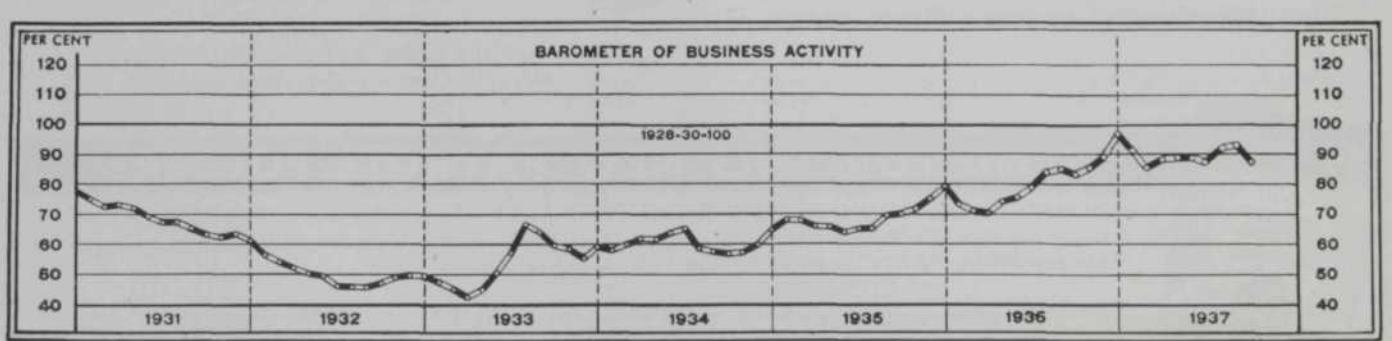
Lower prices based upon larger yields of food and cotton crops was another problem for producers and consumers. However, the quantity of food at lower prices offers opportunities for restoring some of the balance lost in the short crop year just ended.

Favorable features of September were the shrinkage of failures to the lowest point in many years, with an almost corresponding drop in liabilities. Bank clearings for the country as a whole increased despite a decrease at New York.

Increased shading in the Map reflects the generally slower pace of many lines of business and industry during September.



The map of last month



BASED ON INFORMATION SUPPLIED BY DUN & BRADSTREET, INC.

The lateness of the opening of fall trade, the reduced pace of steel and other manufacturing activities and the lower level of commodity prices contributed to the September dip in the Business Barometer.

YOUR FUTURE...



how will it "Pan out"?



SOME men have a natural gift for making money. Others make it only by patient, earnest industry. Most admit, however, that it is easier to make money than to manage it.

Ask yourself: "Have I the knowledge to invest my money wisely? . . . What will my family do if I go before I can accumulate enough to provide for them?"

Through Life insurance you can protect your wife and children. You can make certain that their future will "pan out" with the pure gold of security and happiness. If you die, they will receive the amount you had *planned* to provide as the years went by.

Life insurance helps you in other ways. It helps you to conserve a part of your earnings, which are kept safely and busily at work. In later years, when you may want to take things easy, your Life insurance makes available a fund which will provide a regular monthly income.

Why not set up a definite Life Insurance Program now? A Field-Man will gladly give you the benefit of his experience and suggest a practical plan. Telephone today to the nearest Metropolitan office, or mail the coupon.

The Metropolitan issues Life insurance in the usual standard forms, individual and group, in large and small amounts. It also issues annuities and accident and health policies.

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

Metropolitan Life Insurance Company
1 Madison Avenue, New York, N. Y.

Without obligation on my part, I would like to have information regarding a Life Insurance Program to meet my needs.

NAME_____

ADDRESS_____

CITY_____ STATE_____

117-N.



METROPOLITAN LIFE INSURANCE COMPANY

FREDERICK H. ECKER, Chairman of the Board — ONE MADISON AVENUE, NEW YORK, N.Y. — LEROY A. LINCOLN, President

Copyright, 1937, by Metropolitan Life Insurance Company

No Business Can Escape Change

New things make for business progress and for the people's advancement

1 • METAL SHEETS, rust and tarnish proof, in brilliant colors—yellow, red, blue, and green—are available by a new electro-bonded process. Base metals available are copper-zinc, copper-steel, and copper-tin. Finishes are bright, satin, and striped with crimped or scored patterns. They are particularly recommended for displays, signs, and stamped parts. . . .

2 • A POCKET-SIZE screwdriver is now made with a small flashlight which throws its beam directly on the work. It has a pocket clip. . . .

3 • ANOTHER INGENIOUS screwdriver locks the screw on the screw-slot by simply releasing a small knob on the shank. It can be used as an ordinary screwdriver. The holding mechanism is a tiny blade in the center of the screw-slot which descends and revolves as desired by moving a knob on the shank. . . .

4 • A NOVEL furniture slip-cover with a knitted appearance contains no rubber yet is elastic to fit chairs of different sizes and shapes snugly. The cover does not slide. It is washable, and can be removed from one chair and placed on another yet fit perfectly. . . .

5 • AN INSULATING board is now being made in half-circle curves of 6", 12", 18", and 24" diameter. Both the curved and the old flat sections are now available in colored surfaces. . . .

6 • WEAR RESISTANT lathe and grinder centers are now made with an extremely hard tip which is said to add greatly to the life, also to make greater pressures possible without damage to the center. . . .

7 • A PORTABLE microscope having a magnifying power of 40×, can be carried in the pocket. Designed for routine shop inspections, it has a self-contained illuminator, and an engraved scale mounted in the body tube which reads direct to thousandths of an inch and can be estimated to .00025". . . .

8 • A NEW water repellant for fabrics is said to last throughout the life of the fabric, to be resistant to washing, including treatment with boiling soap solutions, and also to dry-cleaning. It can be applied to leave a soft finish. It leaves the pores of the fabric open to permit "breathing." . . .

9 • A SMALL table model radio with twin speaker grilles at either end and dial between is said to give unusual power for such a small unit. It is 7" x 10½" x 5¾" and weighs 7½ pounds. It has a standard tuning range and also is available with a short wave band or European long wave band. It operates on 110 volt AC or DC. . . .

10 • A NEW dispensing valve (or faucet) makes it possible to dispense liquid from a sealed container without a vent. It can cut a hole in a sealed metal can and be screwed in air-tight and leakproof. It also may be used on glass containers and drums. When the valve is closed, the container is in its normal air-tight condition. . . .

11 • A NOVELTY in truck trailers is intended to let light pick-up trucks do heavy hauling. The trailer has a third wheel which relieves the truck of most strain, is easily hooked, can be loaded while the truck does other jobs. . . .

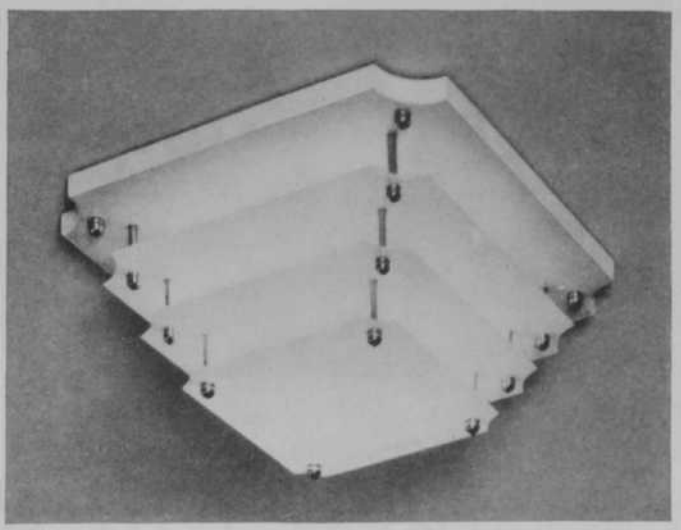
12 • AN EMERGENCY exit light operating on dry cells is designed to turn on automatically if the power circuit fails and turns off when the electric current resumes. A similar unit can be installed to light corridors particularly on shipboard. . . .

13 • FOR DRILLING holes in concrete, brick, stone there is a tool combining electric drill and hammer. A rubber retainer prevents the tool from being shot out. . . .

14 • FOR THE seriously ill there is a bed with a divided mattress and other mechanism which serves a bedpan without moving the patient. . . .

15 • A NEW fuse cutout is designed to reclose the circuit after a lapse of one second which restores the service if the fault is temporary. Two fuses, mounted on the door of the housing, connect with the circuit in succession. After both are blown, the door drops open. Capacity is 50 amperes. . . .

16 • MACHINE signing of checks is made possible and economical for relatively small batches of checks by a new signer which is hand operated, yet prints facsimile signatures through a ribbon with a background design or trade mark in colors. . . .



22 • A NOVEL lighting fixture made of flat translucent plastic sheets is shadow-proof, not easily broken, is easy to clean, can be washed with water, alcohol, or other solvents. Its flatness makes it especially desirable for low ceilings. . . .

17 • A NOVEL paint primer for metal penetrates through rust and makes it chemically inert, expelling the moisture and preventing further rust. Paint or oil enamels may be applied over it, not lacquers or synthetics. . . .

18 • A NEW lighting unit for service where extreme temperatures are found has a lens able to withstand a temperature differential of more than 450° F. between the outer and inner surfaces. The units are dust tight and vapor proof. . . .

19 • FOODS may be packed in glass and sealed under vacuum by a special machine which exhausts the air from the head-space of the container, sterilizes it with dry steam and seals the container. The vacuum is controllable between two and 28 inches. . . .

20 • AN OFFICE stapling machine of new design opens up so that staples may be loaded easily. In event of a jam, the same feature allows easy cleaning out of the channel. . . .

21 • A NEW cabinet for sprinkler heads encourages replacing those opened by fire. It protects heads against breakage, holds a wrench for making exchanges, and shows whether an adequate number of spare heads are on hand. . . .

—Willard L. Hammer

Editor's Note—This material is gathered from the many sources to which Nation's Business has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.

Machines have huddles too

Wherever progress depends on teamwork, everyone concerned must know the plan of action. This, of course, is the purpose of the "huddle" in football. Who is to do what, where, when and how is revealed in the huddle so each may do his long planned, much practiced part.

This may not have occurred to you before, but factory men and the machines they operate must also have their "huddles." They do it in the twinkling of an eye through the medium of Motor Control. Simply pressing a button may put one or a dozen motors through a series of operations it took months to plan and develop.

This is why Motor Control is so important to profit-winning performance in Industry. Good control . . . Cutler-Hammer Motor Control . . . transmits instructions to machines in a split-second, clearly, correctly, definitely. No fumbles, no losses, no waste. You will find most alert executives insist on genuine Cutler-Hammer Motor Control, that machinery builders feature it, that a host of independent electrical wholesalers stock it exclusively. CUTLER-HAMMER, Inc., *Pioneer Manufacturers of Electric Control Apparatus,* 1251 St. Paul Avenue, Milwaukee, Wisconsin.

CUTLER-HAMMER MOTOR CONTROL



What Is Motor Control?

Motor Control has no one form. Whether it is a little device like the cold control on your household refrigerator or an entire balcony of panels as in the steel mills, it starts, stops, regulates and protects motors to save time, trouble and expense. The name Cutler-



Leaders in the March of Business



O. Sam Cummings, Dr. Glenn Frank, Theodore M. Riehle



HARRIS & EWING

Homer L. Ferguson



ACME

Bruce Barton in New York's east side



EWING GALLOWAY

Merrill B. Sands

O. SAM CUMMINGS of Dallas, Texas has succeeded Theodore M. Riehle as president of the National Association of Life Underwriters. He will make a nation-wide tour to seek organization ideas. He is general agent of the Kansas City Life Insurance Company for Texas, was the first international secretary for Kiwanis and its president in 1928.

HOMER L. FERGUSON, president of the Newport News Shipbuilding and Dry Dock Company, which has received the first shipbuilding contract awarded by the United States Maritime Commission. The new ship is to be built for the United States Lines and will cost nearly $16,000,000. It will replace the Leviathan, will be a sister ship of the Washington and Manhattan in trans-Atlantic service.

MERRILL B. SANDS, new president of the Dictaphone Sales Corporation. He has been with the company since 1927, prior to which he spent most of his business career with advertising agencies.

BRUCE BARTON, well known advertising executive, is running for Congress on the Republican ticket in a New York city district. The same district was once represented by Ogden Mills and later by Ruth Pratt. Mr. Barton is opposed by Stanley Osserman, a Democrat and George Backer, a candidate of the American Labor party.

GEORGE P. GABLE, president of William F. Gable, department store, Altoona, Pa., who has inaugurated a policy of informing customers fully as to the content of all merchandise sold in the store. Every item will be clearly identified according to fabric or material in its makeup, and whether it will shrink, stretch or fade.



George P. Gable, Altoona, Pa.

FAST DELIVERY demands FAST FIGURE WORK

SO SHEFFIELD FARMS COMPANY CHOOSES THE "COMPTOMETER"





"In supplying the New York metropolitan market with the freshest, safest milk possible, our accounting control must be extremely flexible, accurate and fast. **We rely on the 'Comptometer' to keep our figure work synchronized with the high speed of our product movement,"** states Mr. Robert E. Crowley, Comptroller of the Sheffield Farms Company, New York City, world's largest dairy company.

"The 'Comptometer' Peg-Board method, used at all our branches, enables us to eliminate all unnecessary posting of figures from one record to another by using original figures to produce final results. This method, coupled with the high speed of the 'Comptometer,' has effected substantial savings in both time and actual money.

"The tremendous volume of figure work is apparent when it is realized that our milk is gathered from 100 rural stations, then shipped and distributed through more than 40 distributing branches, over almost 3000 routes, totaling nearly 1,000,000 daily deliveries. The entire product is inventoried, balanced and checked daily. The 'Comptometer' enables us to maintain a fast, accurate control of figures at all times."

* * *

Tributes to "Comptometer" efficiency and economy, from large and small concerns in every industrial field, attest the importance of "Comptometer" methods wherever work in figures is concerned.

Permit a representative to show you, on your own job, how the "Comptometer" can save your time and money. Telephone your local "Comptometer" office — or write direct to the Felt & Tarrant Mfg. Co., 1712 N. Paulina St., Chicago, Illinois.

COMPTOMETER

Reg. U. S. Pat. Off.

Washington and Your Business

By HERBERT COREY

Possum Kingdom and Uncle Sam

CRUSH an Army Engineer to earth and he will rise again. Political history proves that. When he gets the mud out of his eyes he will come a-whooping. For 115 years, more or less, the Army Engineers have conducted the rivers-and-harbors works of this nation.

One of these days the name of Possum Kingdom will get into the headlines. It is reasonably certain that questions will be asked about it on The Hill. No Army Engineer will be associated with this query, of course. If the Engineers are put on the stand, however, they must and will tell the truth.

They Are Terribly Hurt

HARRY HOPKINS was willing to spend $3,500,000 of WPA money on a dam at Possum Kingdom, which is somewhere in Texas.

The Engineers were directed to examine the project and report:

"It will cost $8,000,000 to build a dam at Possum Kingdom that will hold," they said.

The Reclamation Service was ordered to make an independent investigation and the job was taken out of Army's hands. The Reclamation Service's engineers are competent. They said in effect:

"A $3,500,000 dam at Possum Kingdom will wash out. A safe dam will cost $8,000,000."

Hopkins would give up only $3,500,000, and so the job was turned over to the Conservation District authorities at Possum Kingdom. The money is to be spent.

"You Can't Do That To Me"

PRESIDENT ROOSEVELT vetoed the joint resolution by which the Army Engineers were directed to prepare a comprehensive national water-power program. He said, in effect, that the Engineers lacked experience and background for this kind of work and that if they were to attempt to do it they would interfere with the Reclamation Service and other governmental organizations. The program is being prepared by the National Resources Committee, of which Frederic Delano is the actual head and W. F. Ogburn of Chicago the principal professor. On his western tour, Mr. Roosevelt made it quite clear that he proposes to urge Congress to enact the so-called Seven TVA bills. Before they become law, Possum Kingdom will be heard from.

This Is the Way Things Are Done

THERE are shakes and tremors in the Social Security organization. No one in it doubts that S.S. has come to stay. An able force is being built up, too. Have no doubt about that. Its chiefs are trying to work what an automobile man would call the "bugs" out of the machine so that it will operate without stripping gears. In the latest session of Congress two amendments to the basic law were urged by the S.S. heads:

"We must have them. Unless we get them we will be in for a lot of trouble."

"Give me two big jobs," said one of the boss-men, "and you get 'em. If you don't I'll block your game."

In the S.S. they say they didn't have the jobs to give. This may seem unlikely but they say it and stick to it. They did not get their amendments.

Just One Fret After Another

SECURITY is one thing the Social Security folks would like. Something like a quarter of a billion——BILLION———dollars have been paid in by the employers and employees of the United States. This rests in the Treasury. No distinction is made between this money and any other money in the Treasury when bills are to be paid.

The S.S. people do not like this, but they do not know what to do about it. If a Social Security Fund were to be set up, all alone and separate, like the Washington Monument or Pike's Peak, it would have to be invested in something and that would make trouble. Meanwhile they are examining with little shivers the report made by the Board of Actuaries on the retirement fund for Government employees up to the end of 1935, and recently made public by the Civil Service Commission. The Board estimates that Congress should:

"Appropriate $51,000,000 annually for 63 years to make the fund 'actuarially sound.'"

The Social Security folks wonder if coming events always cast their shadows before.

One of Life's Little Problems

IT IS assumed that employees tell the Social Security Administration the truth about themselves when they fill out their papers and get their working cards. The S.S. promises to keep faith with them and no doubt does.

But suppose that a 65 year old man has told his employer that he is only 55 years old, to keep his job?

Under the law he need pay no more Social Security tax when he reaches the age of 65. But the employer, not knowing his true age, continues to deduct the tax from his envelope. He is being chiselled out of a few pennies each week, but his only protection would be to tell the employer the truth and lose his job. The S.S. is worrying.

Lewis Has Some Other Worries

THE report is that the CIO is suffering from canker in the bud. Its members—this is a whisper at CIO headquarters—joined to go for the ride. It was like the old time religion at a camp-meeting. Then some began to backslide because of follies of leaders.

John L. Lewis, according to the whisper, has not lost much ground personally. But the inbound flow of money is slackening. Those who do not like what is going on are not withdrawing from the CIO. That might make trouble for them. They are merely refusing to pay the preacher. There is a definite fear that the organization may eventually split, one element moving toward horizontalism and peaceful relations with employers and the other trying to go IWW in a big way.

Some Towns Have Cut Taxes

LAST month I promised publicity to any city in which the tax rate had been cut through decent economy.

J. L. Weeks, of Winner, S. D., writes:

"I do not know if you can call our town a city. A small



Lowell Thomas gets tire facts at the Lehigh Warehouse and Transportation Co.

by LOWELL THOMAS
NEWS COMMENTATOR

"It's a man's-size job hauling foodstuffs and freight for greater New York. I found that out when I went to Newark, N. J. to ride one of the trucks of the Lehigh Warehouse and Transportation Co.



Each truck travels 60 to 75 miles a day through the world's heaviest traffic. One goes out loaded with tons of coffee, another with cornflakes, another with cans of orange juice.

"Altogether this big fleet handles some 90,000,000 pounds of merchandise annually. Food for the most part. Breakfast, lunch and dinner for the 26,000,000 people in greater New York and surrounding area. But they also haul drugs and soap, furniture and electrical appliances—dozens of products which come in by train and boat to choke their two huge warehouses."

I Talked to Drivers . . .

"To make the hundreds of daily store-door deliveries, trucks carry heavy loads, travel fast, must keep on schedule. Tire failures would throw the whole operation out of gear. I talked to drivers, to the maintenance man, to A. B. Drake, President. All had the same story—summed up in Mr. Drake's own words: 'Day after day, year after year, Goodrich Triple Protected Truck Tires have given us perfect service—have never failed us. This 100% performance proves that Triple Protection is the answer for present-day trucking operations'."

* * *

Lowell Thomas could tell you more of the things he found out in visiting this big-scale trucking operation. He could tell you of the high tire mileage obtained despite the grinding stop-start service. Of the next-to-nothing repair bills. Of the low cost per mile tire record.

Tires are Triple Protected

Such tire service doesn't just happen. It's the result of Triple Protection—a Goodrich invention that protects tires from sidewall breaks and blow-outs—increases tire mileage. This construction actually checks 80% of premature failures—saves money on every mile! Only Goodrich gives you this 3-way safeguard:

1 **PLYFLEX**—distributes stresses throughout the tire—prevents ply separation—checks local weakness.

2 **PLY-LOCK**—protects the tire from breaks caused by short plies tearing loose above the bead.

3 **100% FULL-FLOATING CORD**—eliminates cross cords from *all* plies—reduces heat in the tire 12%.

Why take the risk of sidewall breaks, big repair bills and shortened tire life when you can get Triple Protected Silvertowns at no extra cost?



Goodrich *Triple Protected* Silvertowns

SPECIFY THESE NEW SILVERTOWN TIRES FOR TRUCKS AND BUSES

but modern town, 2,200 to 3,000 population. Founded 1909. I believe we have cut our taxes through decent economy."

E. V. McVann nominates Omaha, Nebraska.

A. M. Wiles writes that ten years ago Jerseyville, Ill., was $63,000 in debt. Then this town of 4,000 economized and now has money in the bank:

"If Jerseyville can do this, why cannot other towns?"

Ask the taxpayers, Mr. Wiles.

"There Ought To Be a Law"

THE man who knows what is going on in the Income Tax Bureau said a wholly unofficial impression had been produced in it that hereafter the Bureau will first get the money.

"Then let the taxpayer protest."

Not many will protest, he said. It costs more than $150, on the average, he said, to carry out a tax appeal. The injured taxpayer pays and then promises himself to chisel the Government out of a sum equal to the total of his wrongs before he gets through. There are thousands of firms of lawyers specializing in tax cases, he said, and their gross income is in the millions.

"Couldn't a tax law be written so that the taxpayer could understand it and save all this confusion and unnecessary cost?"

He said it could be done. Government would cooperate, he said. But the tax lawyers would gum it up, just as they have in the past. Maybe he's just defending Government.

Don't Say That We Can't Learn

WE ARE certainly a quaint people. Representative Carl Vinson suggested that salaried people be required to pay income tax at the source. The employer should make the deduction before paying the salary.

Whereupon we broke out into a rash of argument to prove that Mr. Vinson's idea was all wrong.

No one seems to have recalled that the scheme was tried in 1913 and failed. Once would seem to be enough.

Squeal Is Now Set To Music

IF cows could squeal, the beef packers would set the plaint to music. They seem to be one-up on the pork packers when it is a matter of real ingenuity in cashing in on waste products. A packer talked of the high meat prices which brought about the strike of the kosher butchers and started various organizations of housewives marching:

"The books will show that our profit on a pound of meat is so small it is infinitesimal," said he. "And to make a profit at all we utilize every ounce of a carcass.

"Sometimes a slaughtered cow is found to have had a bladder full of gallstones. The meat has not been affected by the stones, any more than it would be if she had a crumpled horn. The butcher drops the gallstones in a little aluminum box strapped to his waist.

"The larger stones bring $250 to $300 a pound in China, where they are polished into red jade for mandarins. The small stones are crushed and become the base for the Chinese incense young ladies burn to step up romance in their sweethearts."

The Farmer's in the Dell Now

THE packer said the meat the kosher butchers handle is the best beef killed in the United States. There is no grade ahead of it. Lately the packers have been paying as much as 20 cents a pound for top steers. On one exceptional day only six such animals were offered in the entire United States:

"A steer dresses out about 60 per cent of his live weight. The carcass has cost about 40 cents a pound when it is hung up in the cooling room. The better cuts are an insignificant portion of the whole.

"You can see why your butcher charges 75 cents for porterhouse."

Stream-lining Your Turkey

THAT recalls that Sam Williams, who represents one of the big food store chains, showed me an elaborate chart the other day of an investigation the chain stores made into the turkey business. The old-fashioned, full-chested, 20 pound turkey which held enough dressing when he reached the table to satisfy a starving Armenian is out. Americans want stream-lined turkeys nowadays, which will tuck nicely in a kitchenette's oven and will not hang around as hash.

The Government's poulterers have been shown the convincing figures gathered by the chain store men and are advising the growers to produce smaller turks. The reverse of the same idea was displayed by the National Retail Dry Goods Association in a study which showed that better sales results are obtained by giving the customer all the facts, in order that he may make an intelligent selection.

More Headaches in Labor Laws

ONE cannot talk with J. Warren Madden, chairman of the National Labor Relations Board, and come away believing that the Board has been anything but impartial in its dealings with the CIO and the A. F. of L. It may have been biased in fact. I wouldn't know. But Madden is convincing in his apparent desire to be fair:

"We must just work our way through," he says. "Do the best we can."

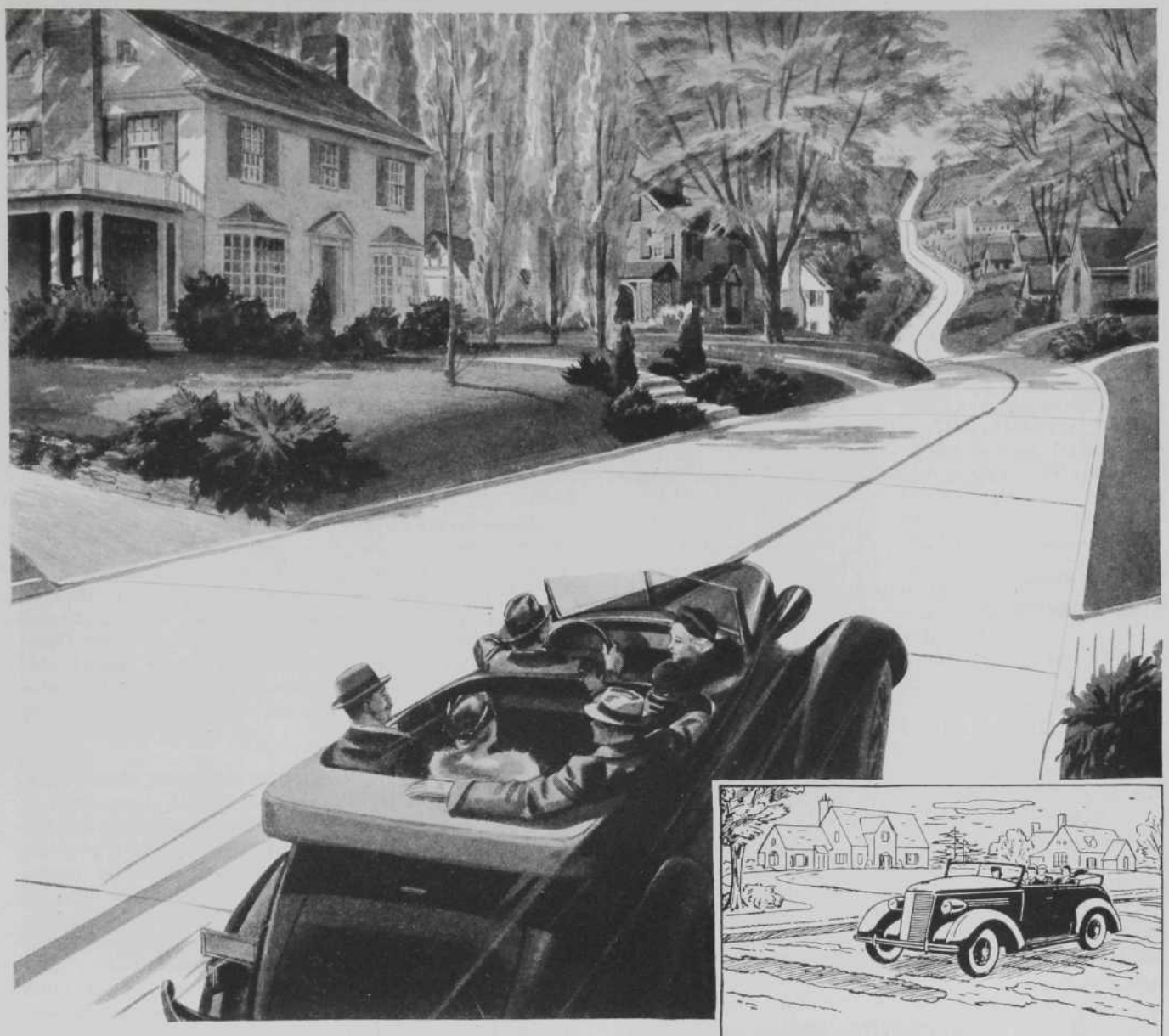
One sample of the headaches the Board encounters is in its possible collisions with rioting strikers. An employer who breaks the law can be summoned by the NLRB and made to behave and that in jigtime. But if the rioting strikers break the law as definitely as does the stubborn employer, although in a different way, what can the Board do about it? Summon the rioters and all hands would die of old age before a case would be decided in court. There seems no doubt that rioters who work for concerns engaged in interstate business violate federal statutes when they interfere with that business. And so what? It is no part of the business of state authorities to enforce federal statutes. A federal police force which could compel angry strikers to keep order must be as large as Mussolini's army and who wants that?

And How About Free Speech?

IF MY neighbor's chickens get into my garden I have the right under the Constitution to tell him about it. If I tell him in a moderately courteous and reasonable way I am exercising my right of free speech. If he does not then coop up his chickens I may call upon the law to protect me.

But if he should happen to be my employee and I should tell him across the back fence that if he did not call off his infernal chickens I'd take the matter up with him later there is at least the chance that I would be in violation of the law. No matter how carefully I might frame my protest against malevolent fowl which scratched up my pansies I might be charged with attempting coercion. If I published a reading notice in a newspaper warning my employees to keep their chickens away from my cabbages there would not be a hope for me. My employee could be as free in his speech as he wished, but I would have to button up or shut the factory.

Mr. Madden and the NLRB will have to fix the limits



Dangerous bumps and depressions are often the result of street repairs after replacing short-lived underground mains.

WHAT CAST IRON PIPE MEANS TO THE MOTORIST

A FINE smooth road to Bill's house. Never a bump or depression caused by backfilling after repairs to a water main. No detour for construction to replace short-lived pipe. For under the street is cast iron pipe that will far outlast the costliest pavement—that will, in fact, serve for a century or more.

Bill and his fellow taxpayers share a heavy investment in the fine modern pavements which are one of the town's chief attractions. It would be short-sighted to risk the expense and annoyance of digging up and marring costly streets to replace underground mains built of short-lived substitutes for cast iron pipe.

That is one reason why more than 95 per cent of the pipe in the water distribution systems of the 15 largest cities in the U. S. A. is cast iron pipe, the standard material for underground mains.

Cast iron pipe costs least per service year and least to maintain. It is the only ferrous metal pipe, practicable for water mains, gas mains and sewer construction, which rust does not destroy. Made in diameters from 1¼ to 84 inches, with joints and fittings for all requirements.

CAST IRON PIPE

FAITHFUL SERVANT OF THE PUBLIC

CAST IRON

Trademark Reg.

THE CAST IRON PIPE RESEARCH ASSOCIATION, THOMAS F. WOLFE, RESEARCH ENGINEER, PEOPLES GAS BUILDING, CHICAGO, ILLINOIS

of free speech one of these days. And what a headache that will be!

Accuracy of a Census

JOHN D. BIGGERS buttered the Washington correspondents a little when he talked to them at the National Press Club:

"Out in the sticks we think of you men almost with awe."

They liked him, of course. He is diffident, earnest, candid, and not in politics. He thinks the Census of the Unemployed should come within seven per cent of accuracy, and will check on it through a house to house inquiry in certain typical districts.

"If we're more than seven per cent off it's a flop."

It will strain the correspondents not to throw flowers at Biggers, but he made it clear that he is no setting for a floral display. He has finally persuaded the Toledo, Ohio, newspapermen that he wants teamwork in the Libby glass works. Men's names are to be kept out of print so far as possible, and credits given to the Libby company. That rule most emphatically goes for his own name.

These Rumors Keep Coming In

ONE of the best of the current rumors is that when and if Joseph E. Kennedy gets through with his job as master of the Maritime Commission the President would like to shift him to the Treasury.

No suggestion of discontent with Secretary of the Treasury Morgenthau is involved. It is no particular secret that Morgenthau would like to be the head of the One Big Federal Detective Force. A recent report by the Brookings Institute commented on the lack of coordination and cooperation between the 14 or more federal investigative agencies. The fact was not observed that the 14 agencies have as widely different duties as the Homicide Squad and the Dog Catchers in any city setup. But that fact would be strongly urged on the attention of Congress if any real effort were made to put this amalgamation into law. The 14 agencies have friends on The Hill they have made through years of patient striving.

"Ed" McGrady Is Aces With Labor

RESIGNING officials usually carry away from Washington a few poisoned arrows sticking in their rumble seats.

That was not the case with Edward F. McGrady, who quit as Assistant Secretary of Labor to become Labor Relation's man with the RCA. No unkind things were said of him.

The general feeling was that he had done his best to preserve friendly relations between employers and employees.

"He liked to get antagonists seated at a table," said one man. "Then he didn't tell 'em. He asked 'em."

A clue to McGrady's character is found in a reply he once made to an inquiry during a senatorial investigation:

"You are here to represent organized labor?" asked a senator.

"I like to think" said McGrady, gently, "that I am here to represent unorganized labor also."

"He Loves Me—Loves Me Not"

IT would be a violation of confidence to say that he is one of the half dozen men who boss the Lower House, that he comes from the extreme Southwest, and that he talks poker talk now and then. So these things shall not be said. But he remarked lately:

"President Roosevelt said on his western trip that he proposes to build more dams.

"He also said he would balance the budget.

"The two things simply cannot be done at the same time.

"I'm betting on the dams."

Big Fight Due For Air-lines

McCARREN of Nevada in the U. S. Senate is leading the fight for freedom of the fliers. He is willing that every possible law shall be enacted for the safeguarding of lives, but he does not want a great and growing industry tied down by the Mister Whifflepoofs at Washington. This is a free, irreverent, but accurate presentation of his attitude.

"If Government will only take its hand off, aviation will flourish, more planes will be needed, more air fields opened, better mail service will be given distant parts of the country, rates will be cut, and safety will be bettered because the air companies will be earning money again."

Of the 32,000 miles of air mail routes, only nine miles remain unallotted. A company holding a mail contract is forbidden to go outside its territory to open new lines into new territory, or to compete with rivals in such territory. The value of a mail contract is that it gives the holding company a practical monopoly over its line. But the company is compelled to make the passengers pay the cost of carrying the mail because the Post Office Department squeezes the rates so low—or else to lose money on every pound. Meanwhile the air companies which do not carry mail are not regulated at all. No one is satisfied.

Hurry Call for More Professors?

UNDER-SECRETARY of the Treasury Roswell Magill is reported to be in a high state of pother. He has been trying to work out a new tax system which will both get in the money and not choke business. One phase of the present system is described in a paragraph to be found in the recent survey issued by George H. Davis, president of the Chamber of Commerce of the United States:

"The surtax in actual operation is one of the most important factors now retarding an increase in employment."

One of Magill's troubles is that whenever he works out a plan that seems sound to him he is threatened by a new flux of professors.

One of Those Coincidences

JUST a little while ago the PWA entered its first suit against a municipality to collect on defaulted bonds. The amount was only $100,000, which is hardly the bite of an anemic baby flea in these days. The significance, if any, is that PWA seems to be getting tough.

Not too tough, however.

On approximately the same date Secretary Ickes issued a warm blanket invitation to states and cities to come and get it. Half a billion good federal dollars are waiting for those states and cities which have formed housing authorities which are satisfactory to federal chiefs. Loans up to 90 per cent of the cost of housing will then be available, and annual contributions may also be had from the Government. Best of all—so good that at first it must have seemed incredible—the local authorities will do all the managing of the new enterprises.

The fly in this cup of sweet stuff is that the only way in which the cities can raise the ten per cent ante is by taxation, and the taxpayer seems to be lifting humble, deprecatory, but minatory hackles at the thought of any more taxes.



"Gee, Dad! You rode on the new train!"

CHILDREN are keenly aware of newness and beauty. Their quick perceptions leap to any significant development that breaks the pattern of every-day things.

Forty years ago every small boy wanted to run a locomotive. Trains, with their power and speed, were the most beautiful things he knew.

With the coming of the motor car his affections were transferred. He learned to tell the make and year of an approaching automobile from a thousand feet away. Then his eyes turned upward to the sky, and he amassed an astounding knowledge of all types of aircraft.

Today the wheel has turned full-circle. Once again it is the railroads that claim children's attention. The new trains! The smooth-bodied, gleaming caravans of stainless steel that pass with a singing rush of speed!

To older people the new era in railroad equipment means spacious interiors, modern appointments, comfort and quiet and swiftness with safety. But young imaginations see a greater glory. For them a vista has opened into the transportation of the future.

The Budd SHOTWELD process of fabricating stainless steel is revolutionizing railroad operation. Because stainless steel has four times the elastic strength of ordinary steel, and twice that of other alloys, Budd-built trains are far lighter than conventional equipment, yet fully as strong and safe. Whatever the motive power used — steam, diesel or electric — Budd light-weight construction makes possible faster schedules with safety, greater riding comfort and an important reduction in passenger-mile costs.

Originator of ALL STEEL bodies for automobiles, now used almost universally, the Edw. G. Budd Manufacturing Company has pioneered modern methods in the design and fabrication of steel products.

EDW. G. BUDD MANUFACTURING COMPANY

PHILADELPHIA AND DETROIT

BUDD METHODS SAFELY ELIMINATE DEAD-WEIGHT

Business Men Say. . .



Harry Boyd Brown



PICTURES INC.

Walter W. Rose and Paul E. Stark



HARRIS & EWING

Wendell L. Willkie



Maxey Jarman

HARRY BOYD BROWN, Merchandising Manager
Philco Radio & Television Corporation

"Looking ahead is the real problem in business today. Success is a series of eight-month spurts. The more often you change your mind and methods, the more it is a sign of intelligence, whereas a few years ago it was considered a sign of frivolity. . . . There are always some business men content with one hit, but you have to have a series of hits today. The out-moded thing is not even good at a rummage sale. . . . The psychology of today in advertising is frankness."

WENDELL L. WILLKIE, President
The Commonwealth & Southern Corporation

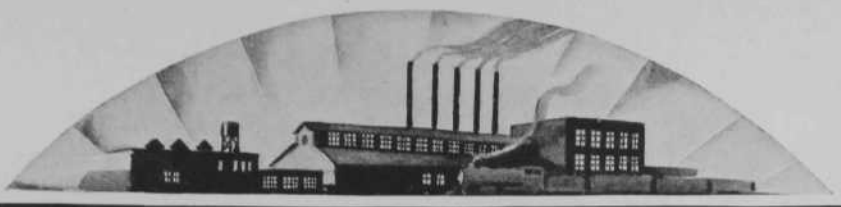
"Every person in the state of Tennessee, if he has a business, or works in a factory or corporation, or owns a home or a farm, pays one or all of the following taxes: Property taxes; license tax on automobile; eight cents a gallon for gasoline; a license to do business; state or federal unemployment tax; Federal Old Age Benefit; federal and state income tax on incomes over a certain amount. Not one of these taxes is paid by the T.V.A. Every time the T.V.A. takes over a piece of property, farm land for a dam or other basin, right of way for a transmission line, building or any other form of property, that property comes off the tax rolls, and the balance of the people in the community must make up the difference in taxes."

PAUL E. STARK, President
National Association of Real Estate Boards

"It seems futile for the Federal Government to spend billions of dollars to encourage housing while municipalities the country over stifle new construction with an unfair and unjust tax burden. . . . Another barrier to home construction is high interest rates. . . . The third barrier to the revival of the building industry is the short period of amortization."

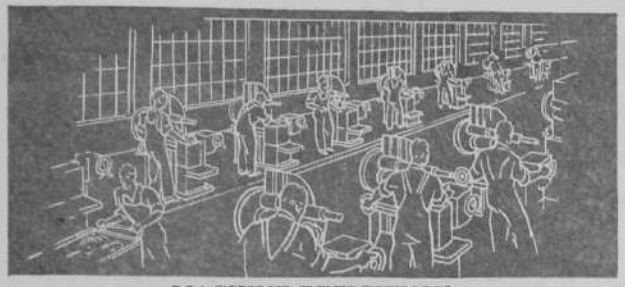
MAXEY JARMAN, President
General Shoe Corporation

"In 1929 the shoe industry's production and distribution was the greatest the industry had ever had up to that time. . . . In 1935 production was six per cent greater and 1936 continued the procession with a gain of 15 per cent over 1929, setting a record of 415,000,000 pair and putting the industry close to the billion dollar class. . . . The shoes are better and lower priced and to machinery is due credit for a real benefit in making it possible for the industry to render more service, employ more people and pay higher wages."

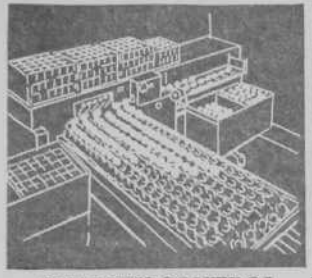


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Give ELECTRICAL CONTROL *a Chance!*



MACHINE EFFICIENCY
More Output With Less Supervision



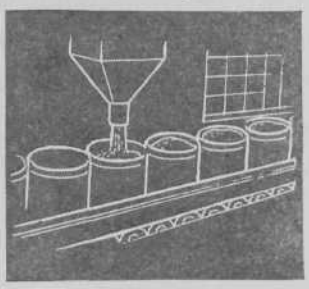
QUALITY CONTROL
Greater Uniformity—Fewer "Rejects"



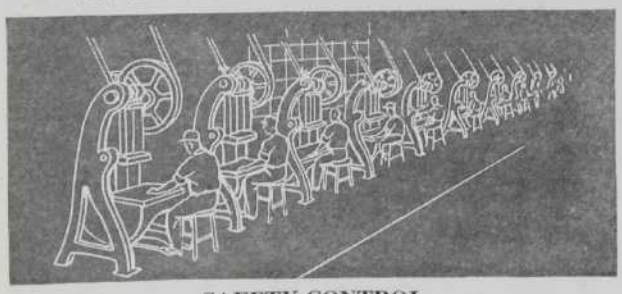
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Inspection Time Cut—Greater Certainty



CENTRALIZED PRODUCTION CONTROL
Gets the Most Out of Men and Machines



COUNTING AND PACKING OPERATIONS
Quicker—More Accurate—More Uniform



SAFETY CONTROL
Maximum Machine Speed With Minimum Hazard

When you have exhausted every means within your experience to cut costs—and the profit margin still keeps getting smaller—there is yet another avenue to explore. Perhaps your production operations need the magic touch of ELECTRICAL CONTROL.

Automatic Electric's engineers offer a specialized service in the adaptation of electrical devices to industrial production operations. Forty years ago, they originated the automatic telephone, the world's outstanding example of electrical control applied to a basic industry. Today they are using the same principles and devices that made the automatic telephone a marvel of speed and precision to reduce costs and improve quality in industrial production.

If you are confronted with problems of costs that are too high, or quality that is hard to control, it will pay you to call in an Automatic Electric control engineer. He will be glad to make a survey of your problems and make definite recommendations.

Address: American Automatic Electric Sales Company, 1033 West Van Buren Street, Chicago, Distributor for Products of:

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CHICAGO, U. S. A.

Originators of The  *Automatic Telephone*

YOU CAN DO IT BETTER WITH ELECTRICAL CONTROL

...and all is well



The subject of this advertisement is something about which most people know very little . . . yet it affects the welfare of every man, woman and child in America. You cannot see it . . . yet it watches over you every moment of the day and night. It has no substance . . . yet it is the basic foundation of homes, stores and factories. It generates no power . . . yet it makes trains move and ships sail. It has no political authority . . . yet without it, business and industry would be halted within the week.

The only tangible evidence of this invisible force is a slip of paper . . . your capital stock company fire insurance policy,* your dependable protection against financial loss by fire. More than thirty million such pieces of paper insure over one hundred and fifty billion dollars worth of American property.

But, protecting property-owners from financial loss in case of fire is only half the story! Do you know that the 200 capital stock fire insurance companies comprising the National Board of Fire Underwriters constantly work to prevent fire . . . to prevent loss of life and property? Do you know that it is due to the wholehearted cooperation developed between this group and the



APPROVED ELECTRICAL WIRING is but one example of the many ways life is made safer by the varied activities of the National Board of Fire Underwriters.



YOUR LOCAL INSURANCE AGENT, a basic feature of the capital stock company fire insurance system, is always available when any policyholder needs prompt service.



HUMAN LIFE is safeguarded by rigid tests for fire safety given electrical devices, building materials, etc., by Underwriters Laboratories, a service established and sponsored by the National Board of Fire Underwriters. Here electric irons and heating pads are striving for the coveted approval.

manufacturers of appliances used in homes . . . the authorities charged with supervision of schools, hospitals, theatres, churches, office buildings, factories . . . and the fire departments throughout the nation . . . that homes and all other buildings in which people congregate are made safer against fire? Do you know that for years these capital stock fire insurance companies have promoted better building laws and the use of safer building materials?

These are just a few of the many things being done to safeguard life and property by the capital stock fire insurance companies comprising the National Board of Fire Underwriters. The public benefits through greater security of life and property . . . the companies by reduced fire losses . . . the policyholders in lower insurance costs. Stock fire insurance rates have steadily declined over a long period of years.

So, you see there is vital significance to nearly everybody in that little slip of paper . . . your **stock company** fire insurance policy.

THE NATIONAL BOARD OF FIRE UNDERWRITERS
85 John Street, New York
National Organization of Capital Stock Fire Insurance Companies • Est. 1866



DAILY REPORTS of every fire in the United States add their stories to the 7,000,000 records of fires kept by a department of the National Board of Fire Underwriters. Their constant study is an important aid to fire prevention.



SAFETY-ENGINEERING SURVEYS with recommendations to municipal authorities help reduce fire hazards and improve fire departments, fire alarm systems and water supplies.



FIREBUGS are a menace to life and property. Cooperating with local police, the trained investigators of National Board's Arson Squad never rest until fire mysteries are solved and guilty persons are behind bars.

***CAPITAL STOCK COMPANY FIRE INSURANCE** provides sound protection at a pre-determined cost, without risk of assessment to the policyholder. Its promise is backed not merely by legal reserve but by capital stock and a surplus accumulated to meet not only normal expected losses but those that are abnormal and uncertain . . . even extreme losses due to conflagrations.

Birth of a Chain Store System

By A. E. LONG



The Lang store in Beatrice, now headquarters of the "M" System. Mr. Lang, in shirtsleeves, has just stepped up on the curb

SIX YEARS ago a Nebraska grocer decided that the day of the independent merchant was done. He didn't whine. Instead he took steps to meet the situation

WHEN an independent small-town grocer challenges the chains to battle with their own blades and, during the battle, continues to grow and expand there must be method or madness somewhere.

Well, it was not madness that enabled Grocer J. E. Lang to show a net profit of $100,000 in the six depression years. So it must have been method.

For more than 50 years it was just Lang's Grocery store on the corner at Beatrice, Neb. In the course of the depression seven new stores, officially known as the Lang Food Stores, sprang from this parent. They are operated under the name of the "M System" in six towns.

Beatrice, a town of 10,297, is the company home. The other five towns where the stores operate have a combined population of 5,860. One of them, Du Bois, has a population of only 350. Indications are that the seven little cash-and-carry stores will do a combined volume running well past $350,000 this year.

Why start a chain?

J. E. LANG has been in the grocery business at Beatrice 43 years. He started with his father when he was 13. He is now 60. If you ask him why he adopted chain-store methods six years ago, he will tell you this:

> I wanted each of my children to have a store. I saw there was no chance the old way, so I changed my ways. Now I have more stores than I have children, and I am building another new store at Wymore right now.

"Six years ago," says Mr. Lang, "I saw I could no longer compete with the chains by following the old independent grocer's methods. I didn't have the purchasing power, and I didn't have the selling technique. I decided that, to survive, I must change the method. I got in touch with a man in Galveston, Texas, who allowed me to buy and bill through him to get better prices. I paid him one-half of one per cent of sales for the privilege of billing through him. He was doing the same for several other stores.

"From that moment, I was able to own my merchandise at much less cost. I opened another store and dressed it up as the chains dress theirs. I made window displays as the chains make them. I arranged my shelving and displayed my goods as the chains arrange and display. I studied their methods and copied them. I bought a mat service so that I am able, cheaply, to get cuts of the standard brands to use in my advertising. I studied the chain store ads, and began to advertise Saturday specials in the newspapers as they advertise them. I began to print circulars, and have them distributed to the townspeople through the mail, and to the farmers by the 'Boxholder' method on the rural routes. Business began to grow from that moment, despite the depression.

"By the time I had five stores in operation, I found my volume large enough so that I no longer needed the services of a purchasing agent or broker. Since then I have purchased direct.

"Most of my merchandise I can now buy on a jobber's basis. A great many manufacturers recognize you as being on the same basis as a jobber when you own as many as five stores. Others recognize you when you have seven stores; others recognize ten, and so on. This means that I own a lot of my merchandise as cheaply as the wholesalers own theirs. I get the wholesalers' discount on a great deal of it. We are now buying much of our goods in carload lots, such for example as salt, sugar, and various canned goods.

"Then, too, on the non-perishable goods, such as canned goods and

(Continued on page 106)

IT'S THE REPEATED *hand routine* THAT BUILDS EXCESSIVE EXPENSE



BECAUSE *repetition* is a necessary part of office routine . . . an everyday procedure . . . we may easily fail to recognize hand methods as creators of excessive expense. Over and over again . . . in all kinds and sizes of business, government offices and membership organizations . . . identical names of *persons* and *things* are laboriously and often inaccurately written by hand. Time and energy are wasted. And costs grow at a rapid pace.

ADDRESSOGRAPH *simplifies* REPETITION

WHEREVER business forms are used, or records are kept, or communications are regularly sent out, *Addressographing* is the fast, accurate and money-saving method for the repeated rewriting of names and data. With never a mistake and 10 to 50 times faster than hands, Addressograph is used in thousands of offices, stores and factories . . . for writing names, addresses, facts and figures on customer records and account forms . . . on both collection and payment forms . . . on pay rolls and pay forms, including Social Security records, reports and receipts . . . on all sorts of factory operating forms, stock records, inventories . . . on shipping tags and labels. Write on business stationery for a free copy of "Business Short Cuts" . . . a 152-page book of Addressograph methods and machines. There is no obligation.



legible
speedy
economical
simple
profitable
accurate
legible
speedy
economical
simple
profitable
accurate

The Addressograph line includes new electric models (see above) and new super-speed, fully automatic models—all for many money-saving uses in offices, stores and factories

ADDRESSOGRAPH-MULTIGRAPH CORPORATION, CLEVELAND, OHIO

ADDRESSOGRAPH-MULTIGRAPH OF CANADA, LIMITED, TORONTO

Sales Agencies in Principal Cities Throughout the World

THIS IS HOW

Aluminum is Bought . . . Aluminum is Sold

THEN . . . . . Fifty years ago, by means of the Hall process, the founders of this company made it possible to reduce the price of aluminum from eight dollars to two dollars a pound. To their amazement, this comparatively low price did not attract buyers. The reason was that almost no one knew how or where to use the metal.

Of necessity, those pioneers had to sell by showing how and where, not in terms of glittering generalities but in minute details of methods and procedures.

NOW . . in 1937 Manufacturing economies developed during fifty years of research make it possible to sell virgin metal for twenty cents a pound. A piece of aluminum the size of one pound of iron sells for about seven cents. Yet even at this low price the method of selling aluminum is much the same as that adopted by the founders of this company at the beginning.

Our salesmen almost never say, "Give us a chance to quote." They make no stereotyped sales presentation whose routine is fixed without regard to the problem in hand. Aluminum, with its alloys, is important in the great family of metals because it does some things superlatively well. It saves weight; it resists corrosion; it is a good conductor of heat and electricity.

These qualities are well known. What the possible user does want to know is *how* he can make aluminum deliver these advantages on his particular job.

HOW . . . . . . The aluminum salesman's chief concern is to *show how;* to distill from fifty years of experience the *know-how* which will accomplish that end. He sells by being able to say, with authority, "If you will use aluminum this way, you will be money ahead."

Such advice encompasses the correct choice of alloy in the most economical form, the latest fabricating procedures, the most successful finishes. Often it involves basically new design of parts, even of complete machines or structures.

When problems of application are broader than the accumulated experience of the individual salesman, he calls upon a large technical staff organized to give just such help. Many users of aluminum value this helpful cooperation as highly as the intrinsic qualities of the metal itself.

NO . . . . . . But occasionally the salesman has to say NO. Sometimes judgment and experience will determine that a proposed application is not economical in aluminum. It is important to us that the good name of aluminum be not jeopardized by ill-considered applications. Our salesmen, with no little pride, do develop the ability to recognize the proper time and place to say, "NO, you will be money ahead by using some other material."

It has been his experience that a sincere NO usually creates a confidence which may later lead to a sound and economical use. Then he will have his opportunity to say, "Yes, if you will use aluminum in this way you will be money ahead."

That is the reason people buy aluminum; that is how it is sold.

IT OFTEN HAPPENS THIS WAY

For five years one of our salesmen called on a certain manufacturer. No aluminum could be used on his product. But it was a large factory, with many kinds and types of machines, some very large.

The salesman devoted his calls to two things: Developing an appreciation of how lightness might make machinery work better; and building confidence in his own technical judgment.

Five years he called. No quotations, no apparent need for aluminum.

The time came when the men in the plant said: "We have a machine. Many duplicates of it. Each has a long conveyor, made of big links of heavy metal. Each link has many holes which position the product in process. We've decided the conveyor uses too much power. Its very weight causes expensive breakage of links. Can you show us how to apply the lightness of aluminum to solve this problem?"

Sequel: He did. That is why aluminum is bought, how it is sold.

ALCOA ALUMINUM COMPANY OF AMERICA ALCOA

Sponge Farmers





Above—A fisherman cleaning sponges. Left—A native Bahaman shearing sponges in a waterfront yard

PHOTOS BY EWING GALLOWAY



Sponge fleet at Nassau. The Bahamas and Key West, Florida, are the two largest sponge fishing centers in the western hemisphere

SPONGE fishermen of the future possibly will be "farmers" who plant their seed and harvest their crop on the ocean floor.

For centuries the sponge fishermen, hook or knife in hand, have reaped Nature's bounty for a world-wide market. Dwindling constantly before the increasing demand, the supply has proved inadequate and fishermen have been driven farther and farther out to sea in their hunt for marketable sponges.

Costs have risen to a point where good sponges are beyond the means of the masses in many parts of the world.

Scientific planting and cultivating of high grade natural wool sponges was undertaken three years ago by a group of Bahamans, with the cooperation of the British Colonial Government. Divers brought up live sponges which were cut into small pieces, each piece containing one "eye," and these "sponglings" were "planted" in the sea under two different methods. Some of the "cuttings" were attached with strong sisal strands to concrete discs which were used wherever the ocean floor was solid coral.

Where the bottom was sand or mud, the "cuttings" were attached to the ends of long sticks and the other end of the stick buried securely in the ocean floor. The concrete discs were of sufficient weight to prevent serious shifting of the sponges with the tides, while the "cuttings" attached to sticks were placed high enough off the bottom of the sea to avoid the shifting sand and silt stirred up by rough waters.

About 5,000 large and well shaped sponges were produced in the first harvesting, and an increasingly large crop is expected from the "plantings" that have been set out from time to time since the beginning of the experiment. In their natural growth, sponges vary greatly in shape, their contour being determined partly by the shape of the stationary object to which they affix themselves, and the currents, marine organisms that inhabit their environment, and the type of foods on which they feed. The experiments indicate that the variation in shapes can be largely controlled by the method of planting.



Sponge market at Nassau. Wholesalers buy from the fishermen and ship most of their purchases to Europe



The Taxpayer Pays the Doctor

By GEORGE MORRIS

SOCIALIZED medicine makes its bow in this country through a little publicized plan which allocates $20,000 of tax money to guard the health of federal employees

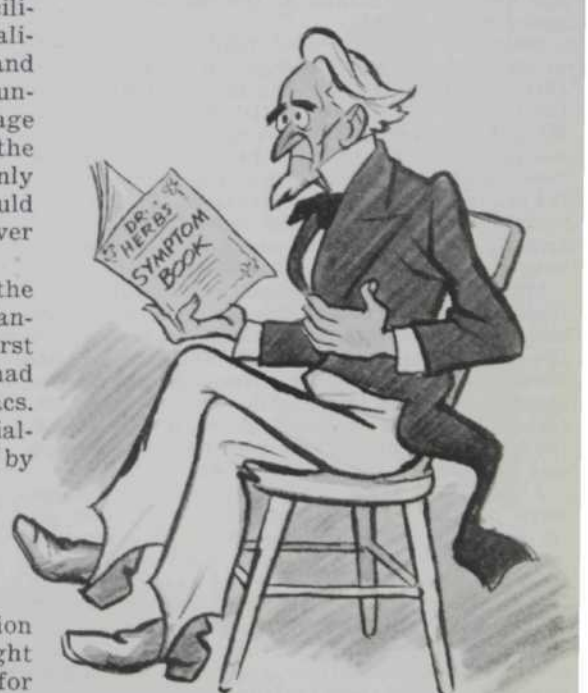
SOCIALISM is spread by convincing the people that there is no affliction for which the Government does not provide a remedy. The first step is to convince them that they are afflicted. The next is easy because, once convinced of the seriousness of the malady, they are ready to take what the doctor prescribes.

The opportunity of the planners came when the country was suffering from a temporary economic ailment. There had been many depressions in the past from which the country always got well because there were no planners to convince the people that the ailment was chronic and the only way to get well was for the Government to come to the rescue. So they emerged strong, healthy and went forward on their own steam.

In the recent economic ailment the doctors rushed in before the patients had time to take a turn for the better and began prescribing liberal portions of government dosage. There was no promise that the patients would get well, but a guarantee went with each bottle that, so long as the patients stayed with the medicine, they would get no worse.

The planners established clinics for crop loans and subsidies, scores of lending agencies for industry and home owners, light and power facilities, loans and grants to municipalities, work relief for employables and direct relief for unemployables, unemployment insurance and old age benefits. Whatever the problem, the Government had the answer. The only condition was that the people should see the doctor every day and never miss a dose.

There was no further step in the direction of socialism which the planners were not ready to take. First they must make sure that they had developed a nation of hypochondriacs. The finishing touch would be socialized medicine. The way was paved by erection of scores of hospitals. A drunken driver who broke an arm in an automobile accident was eligible for free hospitalization and medical treatment if he claimed some connection with the military service. He might even enter a government hospital for a "check up," on his own volition even if he was sure and the doctors were sure there was nothing the matter



With the dues paid and a doctor handy, overdoctoring results



"It's SALES MANAGEMENT of MONEY —and that makes sense to me"

"LET'S put it this way. We've got a sales force of one hundred men. It's their job to cover the territory. They have to *sell* our products. What would we do if we found that about half of them sat down and didn't make a move for a month or two?"

"That's a silly, hypothetical question but I'll answer it. We'd fire them, of course, and get some new men."

"You're wrong. We wouldn't fire the salesmen . . . we'd fire the sales manager. It's his responsibility—his job to keep the salesmen moving and producing."

"Check. But what has that got to do with the matter we were discussing?"

"Just this. Our business is good. Our receivables are high. Our customers are not discounting. We're passing up chances to open good new accounts for lack of sufficient resources to finance more volume. And why? Because half of our capital, which ought to be working for us, just like our salesmen, is taking periodic thirty to sixty day vacations . . . tied up in customer's stocks or resting in his bank balance . . . working for him until he sends it back to us. Do you get the idea?"





"You bet I do. And I think I get the solution you're leading up to . . . you're thinking about discounting our receivables with Commercial Credit Company."

"That's right. Their proposition is a sound plan for sales-managing our capital. Lots of progressive businesses are using it now. What particularly impresses me is the new LIMITED LOSS clause. It protects us against abnormal credit losses. I'm a hard-shelled conservative when it comes to credit or financial risks, but this new Commercial Credit Company feature makes good sense to me. I'm all for it."

COMMERCIAL CREDIT COMPANY

NEW YORK CHICAGO **BALTIMORE** PORTLAND, ORE. SAN FRANCISCO

The New Limited Loss

clause in Commercial Credit Company's plan of discounting accounts receivable makes this modern type of industrial financing interesting and attractive to conservative businessmen everywhere. Why not investigate and see how it will meet your special needs? Full details on request.

with him. His family could claim, in some instances, the same attention.

It seemed prejudicial and unfair to deny medical attention at public expense if the Government could go into the restaurant business, sell clothing, coal and golf clubs, refrigerators and other electrical appliances at the equivalent of a gift compared to retail prices.

But medical service was somewhat different. It involved socialization of a profession. If medicine could be socialized, so could the law. There are legal as well as physical problems and, in approaching the problem of providing every one with a doctor, it was only natural that every one should have equal right to demand the free service of a lawyer. Therefore, in moving in on the medical profession, the planners had to be careful to see that the steps taken would be equally applicable to all professions.

The natural step toward socializing medicine would be to attach it to the Social Security program. It is being studied with the view of inclusion, but a better plan is to experiment with it for a while. It was decided to make the initial experiment in the Federal Home Loan Bank Board. The organization is known as "The Group Health Association." William F. Penniman, assistant to John H. Fahey, chairman of the Federal Home Loan Bank Board, is president.

Giving the venture official indorsement, Mr. Fahey writes Mr. Penniman:

> The action of so large a number of employees of the Federal Home Loan Bank Board and its agencies in forming a voluntary association for the protection of health is highly commendable. As a fellow member of the association I bespeak for it a long career of usefulness, with the active cooperation of leaders in the medical profession of vision and concern for human and social welfare.

Without Congress' approval

AS evidence of the Government's interest in the success of the organization, the Federal Home Loan Bank Board has pledged $20,000 of the public's money to see it through the first year. An additional $20,000 will be forthcoming next year if the Board is convinced the program is headed toward success. Thus, humble as is the beginning, socialized medicine in the United States becomes a fact, with complete realization for all the people a hope of the not far distant future.

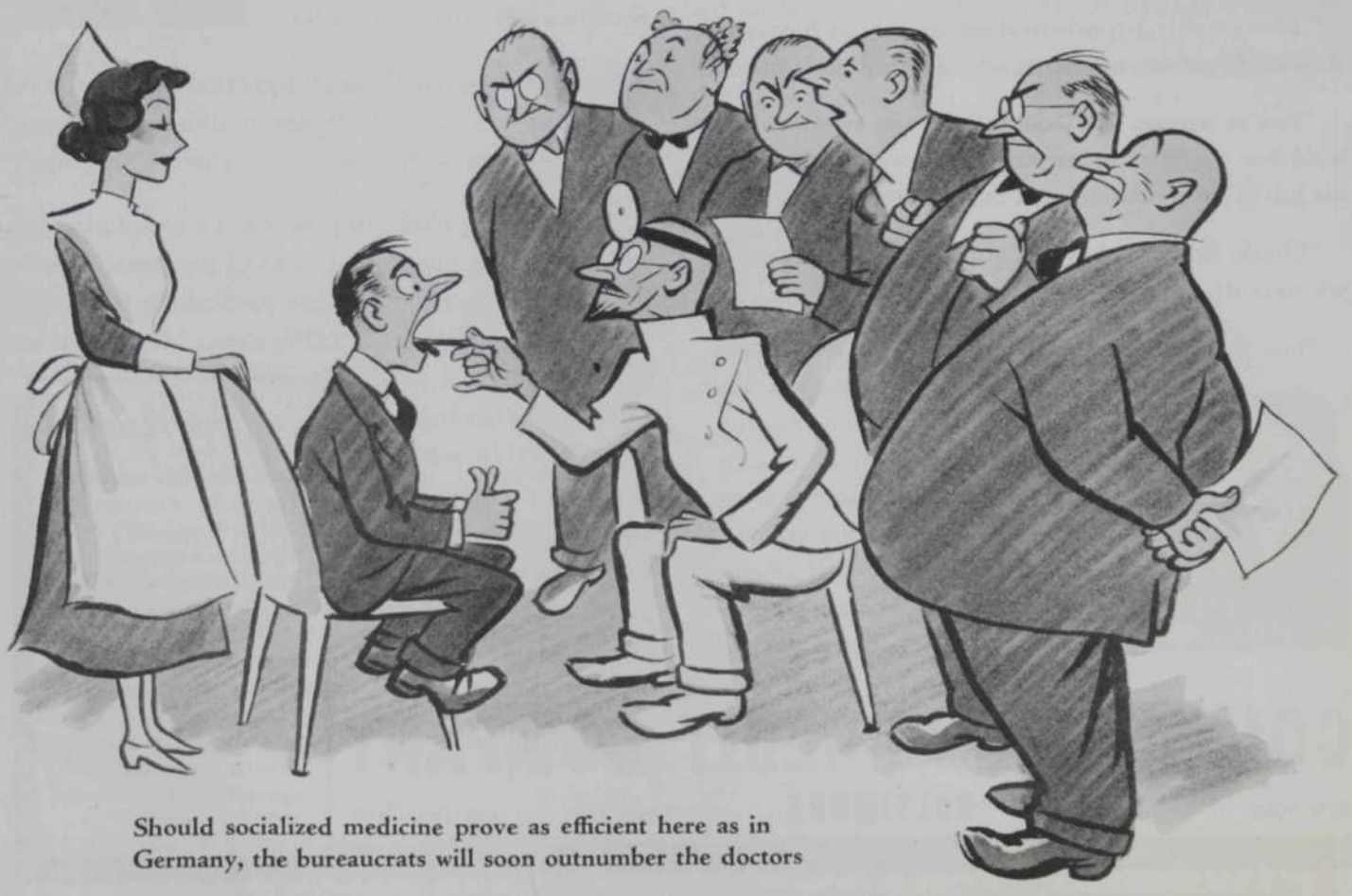
Congress, of course, has passed no law authorizing socialized medicine. It has made no appropriation for the experiment. The Federal Home Loan Bank Board simply decided it would be a good thing and sells the idea of "voluntary cooperation" to its 2,000 employees.

Members with families will pay $3.30 a month and single persons $2.50 a month. Assuming that payments will average $2.50 a month, members will pay two-thirds and the taxpayers one-third of the cost. The taxpayer will be interested to learn that, in addition to the salaries of the 2,000 employees in the organization, he is also paying one-third of the cost of medical and surgical examinations, including examination in special departments, such as eye examinations, laboratory tests and X-ray examinations, including complete medical and surgical care, visits of doctors either at their homes or at the clinic, nursing and ambulance facilities, and hospitalization in a semi-private room for a period of three weeks during a single illness without additional charge.

Dr. Henry R. Brown, chief of the Tuberculosis Division of the Veterans Administration, will head the clinic staff of 15, which will include six or seven physicians. Eleven trustees, two selected by the Federal Home Loan Bank Board and the others selected by the members, will direct the affairs of the institution. There will be small administrative expense at the outset, since time taken for its affairs will be given by employees who receive compensation for full time service to the Government. On that basis, it might be said that the taxpayer is defraying about 50 per cent of the cost.

Mr. Penniman explains that the

(Continued on page 140)



Should socialized medicine prove as efficient here as in Germany, the bureaucrats will soon outnumber the doctors



Sales Efforts Bear Fruit in TEXAS

IT'S market-time in Texas all year long. Volume and variety of crops keep a constant procession of products rolling to market, and money rolling into Texas.

Texas sends to the marts of the world huge shipments of grapefruit, oranges, tomatoes, potatoes, onions, spinach, cabbage, peanuts, peaches and pecans. From these and other fruit and vegetable crops Texas farmers gain an annual income of over $33,000,000—but fruit and vegetable growing is only a small part of Texas agriculture. Cotton, rice, barley, wheat, corn, sugar cane and grain sorghum are other large and important crops that contribute to the prosperity of this great Texas industry.

Although it is one of the leading agricultural states, with a total farm income in 1936 of $619,442,000, Texas is far from a "one industry" state. Cattle raising, sheep raising, petroleum production, sulphur mining, timber milling and manufacturing are a few of the many big industries that make Texas a lively market and a profitable place to direct sales efforts.



To expanding industries Texas offers many attractive advantages. Abundant raw materials, low-cost fuel readily available, favorable labor conditions, low living costs and a rapidly growing population make Texas a particularly profitable field for business activity.

Here, in Texas and the Southwest, is the nation's last great frontier where hundreds of thousands of families may find new and greater opportunity. The Katy, which serves the principal cities of the Southwest with thoroughly modern passenger and freight service, is proud of the part it is playing in the development of Texas.

As part of its progressive and constructive policy the Katy maintains an Industrial Department which will supply definite information about opportunities in Texas. Address the Industrial Development Department, Missouri-Kansas-Texas Lines, St. Louis, Mo., or Dallas, Texas.

M·K·T
The Katy

PIONEER RAILROAD OF THE SOUTHWEST

Moving the Earth

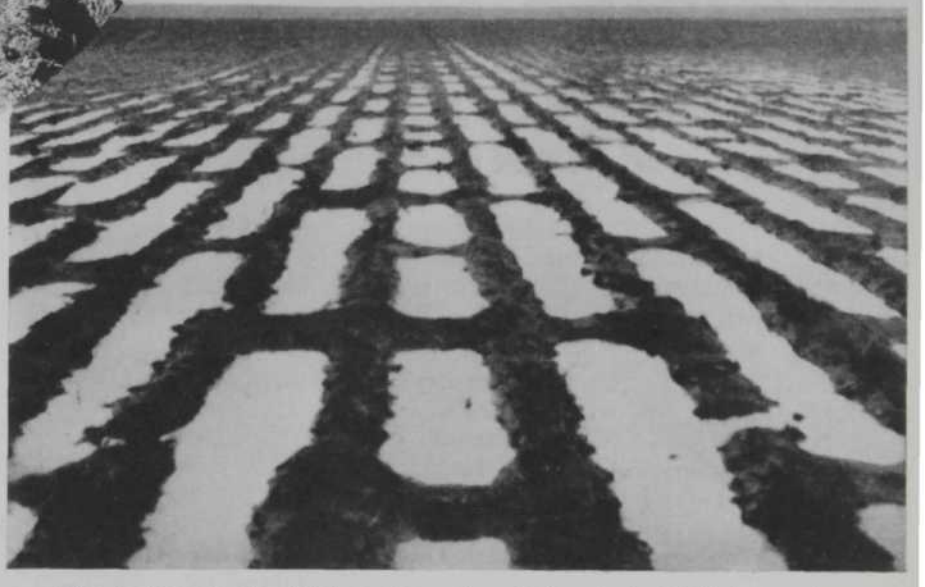


Terracer working near Anderson, S. C., building a terrace to edge of field and carrying outlets to adjoining water courses

PHOTOS COURTESY CATERPILLAR TRACTOR CO.



A damming lister makes soil pockets to prevent erosion



The pockets in this field caught a three inch rain that fell in one hour and helped to conserve 225,000 barrels of water

GIANT terracing machines and damming listers like those shown in the illustrations are part of Industry's contribution to solve the nation's disastrous flood problems and help prevent drought catastrophes.

Land terraces originated in the rolling country of the Piedmont section to prevent soil erosion and maintain sub-soil moisture. The field ditch and ridge terrace were first made by hand labor working with hoes. Later they were made with mules and plows. But the small terraces were incapable of holding run-off water. The broad base terrace, forming a broad, shallow ditch, can be successfully farmed. To build a permanent broad terrace, from a quarter to a half-yard of soil must be moved per running foot of terrace line.

The modern terracing machine has changed the slow, laborious hand and mule power soil moving process into a "mass production" scale of terrace building. Some of the larger units use cutting blades up to 12 feet long, all weighing more than five tons. Smaller units are made with eight-foot blades which can be tilted and governed to terrace the hills or level terrain like a giant road scraper on the highways.

In the Great Plains area from Texas to Nebraska, a grader equipped with a 14-foot blade is generally used for low-cost terracing where counties, groups of farmers, or large farmers are doing the work. The broad base terrace can be constructed under these conditions at a cost ranging between $4 and $11 a mile in inconceivably short time. The terrace retards soil erosion from wind and rain and at the same time conserves water to supply moisture for maturing crops in dry seasons.

In addition, terracing machines are used to restore gully-scarred fields and to reform lands that have been neglected and destroyed by years of erosion.

Another earth-moving machine which conserves moisture for dry seasons, stops wind erosion effectively, and minimizes flood dangers during abnormal rainfall periods is the damming lister-chisel. It is a heavy plow-like implement drawn by tractor across the fields after the crops have been harvested. The damming lister-chisel works from one to five rows at a time. It leaves in its wake a series of long furrows which are dammed at specified intervals by the automatic operation of trip shovels. The resultant shallow basins prevent water from washing away the soil, retain moisture and, through this process, help to prevent wind erosion.

The field capacity of the machines ranges from ten to 60 acres a day, according to the size of the equipment and the cost is from $1.25 to $2.50 an acre, depending upon the terrain.

—A. E. HOLDEN

Daytime Travel is the Thief of Time



SLEEP WHILE YOU RIDE IN *Pullman*

SAFETY AND COMFORT

• The phrase "nighttime for travel, daytime for business" is a formula followed by thousands of business-men in their travels. Few are the men who have not seen the simple mathematics of saving their daytime for business and doing their traveling while enjoying a good night's sleep in a comfortable Pullman bed. This plan is rich in results. It not only conserves business time, but it turns you out in the morning refreshed and alert for the day's affairs. And whatever the weather, Pullman gets you there. Furthermore there's always that blissful sense of security! Not a single life lost in the past three years—passenger or employe—in Pullman cars! Go in Pullman safety and comfort! Consult your ticket agent or write

THE PULLMAN COMPANY
CHICAGO

• LAURANCE ARMOUR, *president, American National Bank and Trust Company of Chicago, writes:* **"I appreciate Pullman accommodations not only for their great comfort but also for the time they save. When I travel, I can travel at night and save the daytime for business."**

• K. D. Carpenter, treasurer, Arkansas-Missouri Power Company, writes: "I don't have to rest up after a long business trip, because I always go by Pullman. It keeps me fit for each business day. The courtesy and efficiency of Pullman employes under all circumstances amazes me."



PULLMAN'S REASONABLE RATES

You'll be surprised at Pullman's reasonable rates. Over 50% of all overnight journeys made are approximately 300 miles. For a lower berth this costs but $2.50. For a whole section, only $3.50 for one passenger.

Bruno Schwill, New York financier, writes: "It is a real pleasure to write about The Pullman Company and its employes. Notwithstanding all their difficulties in looking after the comfort of all their passengers, they have always made my family, as well as others, feel that it is a real pleasure for them to do what they can for their passengers."



All testimonial statements in this advertisement were furnished without compensation

Pullman and Rail—The safe way to go and the sure way to get there

TRAVEL AND SLEEP IN PULLMAN SAFETY AND COMFORT

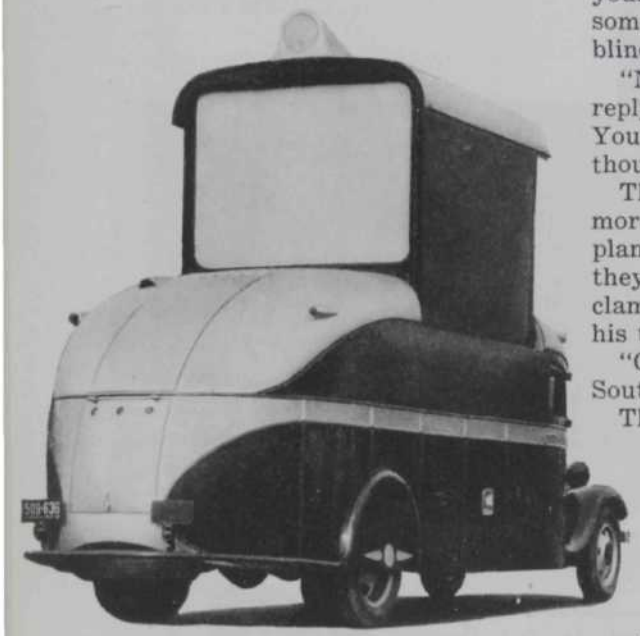
Copyright 1937, The Pullman Company



The films use Hollywood directors, experienced actors, modern equipment in their job of mass selling

The Movie Turns Salesman

By JACK GAFILL



The automovie gathers its own crowd, gives its own show in rural areas

"SAY, Bill!" whispers one excited youngster to another, "that guy's some pilot. Look! He's landin' her blind!"

"Naw, he ain't" is the scornful reply. "He's gettin' his directions. You've sure gotta know your stuff, though, to bring in a transport."

The boys lean forward to watch more intently the circling of the big plane through the thick fog. Now they see the pilot. Ear phones are clamped to his head. He speaks into his transmitter.

"O.K., Newark. Flight 66 takes the South runway."

Then, beneath a low ceiling of clouds, the boys see the plane appear. The wheels touch the ground. She's safely in.

"Because," says a voice from the screen, "the pilot knew where he was all the time and had his plane under complete control."

Two hundred boys and girls relax in their seats. They have just seen a dramatic motion picture showing that a man must, as Bill says, "know his stuff," before he can be a successful pilot, or successful in any other kind of job.

This picture was made after a study of the interests and needs of school children. It is a part of a group or mass selling program arranged by a well known automobile manufacturer.

While the two boys return to their classes, their mothers are entering a department store auditorium. A card at the door announces:

HOW TO WASH SYNTHETIC FABRICS—A MOTION PICTURE
(Shows daily at 11 and 2.)

"That's just what I need to know, Clara," says Bill's mother. "My knit dresses are a sight after the first wash. Let's go in."

Presently they are seated. A girl from the screen explains that lukewarm water and fine soap flakes will not injure rayons. She dips a knit dress into sparkling suds, rinses the

Versatile machine saves for smaller companies, too!





HANDLES ONE BIG JOB OR MANY SMALL ONES, ACCORDING TO YOUR ACCOUNTING NEEDS

Read what a typical smaller business man says:

"BY using our new Model "85" for accounts receivable, accounts payable, sales and expense distribution, payrolls, and financial control, we keep it busy every minute. And we get the same saving in time and work as large companies which use each machine for just one set of these records exclusively."

FITS PRESENT AND FUTURE NEEDS. This flexibility of Remington Rand "85" places it within the range of even small companies. It also saves *all* users money over a period of years in this way—if and when your accounting requirements change, it is not necessary to rebuild or trade in your Model "85". A few simple adjustments . . . and you're all set, without the machine even leaving your office.

GET CASH PROOF OF SAVINGS. Each Model "85" is sold on the basis of reduced accounting costs, proved in advance by demonstration. For facts regarding a free trial, phone our local office or write Accounting Machine Division, Remington Rand Inc., Buffalo, N. Y.

Why waste time and work in your accounting? You, too, can have up-to-date, adequate figures, facts with which to guide your business. The electrified Remington Rand Model "85" posts up to seven related records at one time.

ONLY MODEL "85" GIVES YOU ALL THESE NINE FEATURES

1 Complete electrification of *all* alphabet and numeral keys, and of carriage.

2 Complete flexibility of registers, providing extra accumulations without rebuilding or replacing machine. Additional registers limited only by length of carriage.

3 All registers visible for columnar accumulation and cross-computation. All registers equipped with direct subtraction, providing contra-entries within specific column, and instant correction of errors.

4 Completely electrified automatic tabulation from column to column.

5 Complete visibility of writing line, permitting easy checking of every entry.

6 Automatic line proof of each individual entry provides instant audit.

7 Independent control of each related form to be prepared simultaneously.

8 Uniform legibility of all records.

9 Made by Remington Rand Inc., Buffalo, N. Y., the only single manufacturer who can supply complete accounting systems, equipment and assume complete responsibility.

Ok.. it's from Remington Rand

"CATERPILLAR" DIESELS DO



Cuts Power Costs 60% in Ice Plant. Cold figures showed a 60% saving in power costs when this 47-horsepower "Caterpillar" Diesel Engine was installed in the Columbiana Ice Company's plant. It drives an ammonia compressor, well pump, agitator, cone sucker, and blower—all on 1⅔ gallons of low-cost fuel per hour.



"Set 'em Up in the Other Allocation." Here's a Diesel RD8 Tractor moving an oil rig to a new location in the Greta Field, Texas. The derrick, boilers and pumps were mounted on skids, individually moved without dismantling—"a neat trek." "Caterpillar" Diesels are widely used by the petroleum industry.

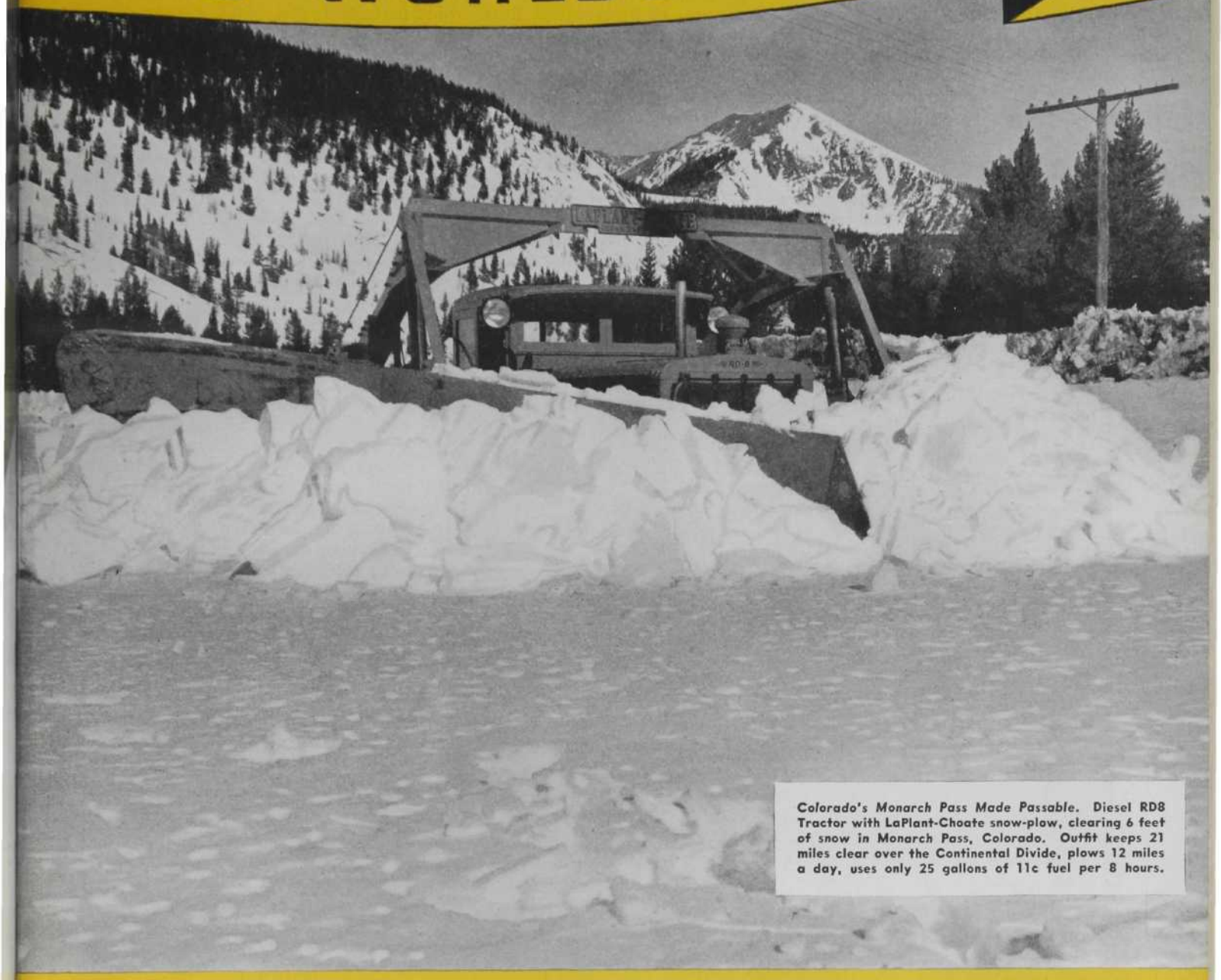
"Lend Me Your Ears," says this Diesel. A "Caterpillar" Diesel RD4 Tractor pulling power-take-off corn-picker on the J. P. Werner Farm, Tremont, Ill. Harvests 16 to 20 acres (900 to 1000 bushels) a day; uses 10 gallons of 7c fuel per 15 acres. Owner, a farm-power contractor, paid for outfit in 6 months of custom-work.



No mere figure of speech is the declaration above. The amazing variety of machinery powered by "Caterpillar" Diesel Engines bears tribute to their versatility. They provide power for pushing snow-plows, bulldozers, trail-builders. For pulling wagons, scrapers, farm machinery. For driving crushers, air-compressors, pumps, shovels, dredges, cranes, ditchers, switch-engines. For operating sawmills, feed-mills, cotton-gins, mines, textile plants, woodworking, bottling, packing, creamery, drilling, refrigerating, ice-making equipment. For generating electric current. . . . Indeed, the world is full of jobs that "Caterpillar" Diesel Engines handle *better* and at *lower cost* than is possible with any other readily available type of power.

"Name your power problem," is "Caterpillar" Diesels' challenge. For evidence of their varied capabilities and economy, *mail the coupon.*

THE WORLD'S WORK!



Colorado's Monarch Pass Made Passable. Diesel RD8 Tractor with LaPlant-Choate snow-plow, clearing 6 feet of snow in Monarch Pass, Colorado. Outfit keeps 21 miles clear over the Continental Divide, plows 12 miles a day, uses only 25 gallons of 11c fuel per 8 hours.

CATERPILLAR DIESEL POWER

REG. U.S. PAT. OFF.

CATERPILLAR TRACTOR CO., PEORIA, ILLINOIS
LARGEST MANUFACTURER OF DIESEL ENGINES, TRACK-TYPE TRACTORS AND ROAD MACHINERY

CATERPILLAR TRACTOR CO., Dept. NB-10, Peoria, Ill., U. S. A.

Gentlemen: Please send me information on "Caterpillar"

- ☐ DIESEL ENGINES
- ☐ TRACTORS
- ☐ ROAD MACHINERY

I need power for _____

Name _____

Address _____

dress, and pins it in proper shape on a board to dry.

"It certainly is simple when you *see* it done," says Bill's mother. "No more pulled-out-of-shape dresses for me."

Bill's mother is grateful for worth while information.

Bill, Jim, and their mothers have seen two of the new industrial motion pictures. Bill's father will see a picture on Money Management, made by a finance company, at his luncheon club.

In a rolling mill, 5,000 steel workers lay down their tools to watch a talking picture explain the mechanics of a motor car engine. The picture is a visual sales talk easily understood by this audience. Ten railroad presidents watch a $12,000 talking picture and are persuaded thereby to buy equipment totaling millions of dollars. That picture lived its useful life in 20 minutes.

From the small group of high executives to the large group of shop workers, thousands are seeing the new industrial sales pictures. Children in classrooms, businessmen at their luncheon clubs, factory workers in their shops, farmers at their grange meetings, professional men at society meetings, are all seeing motion pictures prepared for their group.

What is the genesis of this new kind of movie? How does it sell? Where did it come from?

Our answer begins with the beginning of the motion picture industry itself. From the first, motion pictures have been a monopoly. The complicated apparatus necessary to make motion pictures of professional finish; the skill necessary to operate this equipment; the expense of talent and materials; and finally a complex system of distribution, have all contributed to the monopoly.

Dramatic pictures sold best

IN THE beginning, motion pictures were theatrical. Producers put on film what would sell quickest, bring biggest returns. Everything was drama; drama sold. Therefore, what is most noteworthy, the technique of making fictional pictures was perfected early. Where the money was the art went also.

With keener product competition came a search for new and more effective ways of reaching the masses. Especially those masses with money to spend. At hand was the motion picture shown daily to millions of persons. It seemed to have all the elements necessary to good salesmanship. It was factual, persuasive, analytical, convincing. The manufacturer saw the value of the motion picture to explain, and most important, *show* his product in action. But the only motion pictures he could buy were "trailers," short animated advertisements shown at second run movie houses. Then too, ways of filming fiction had been learned, but no one knew how to make pictures that would sell goods. If there had been

(Continued on page 128)







Living actors or animated miniatures may be used to put across the desired sales story but producing companies have learned that these films must entertain as they teach

Growing interest in commercial films makes theaters featuring these pictures a possibility

"In 12 months we give our

KITCHEN 10 YEARS OF WEAR"



A trip behind the scenes in the General Foods testing kitchens personally conducted by MISS MARIE SELLERS, *Director of Consumer Service Department*



1 "Come right into the kitchen," says Miss Sellers. "It is here that we test recipes for the homemaker which give her such perfect results when she uses any of our products. This morning we baked six Swans Down cakes, made fourteen Minute Tapioca puddings, and a trayful of summery colorful Jell-O salads."



2 "This is the peak of the fruit season, so we're making Certo jellies." ("How good that smells," you say. But every smidgen goes into waiting glasses, and you're ages too old to ask to lick the kettle!) You begin to realize how much *traffic* her kitchen equipment must endure —but then, you see, it's Monel.



3 Miss Sellers rubs a finger thoughtfully over the gleaming, silverlike Monel top of one of the cupboards. "Our work surfaces," she says, "are all Monel. We put in this equipment about a year ago. I'd estimate it has already had about ten times the wear it would get in an average home kitchen."



4 You look in vain for signs of punishment on those Monel surfaces. Of course there's no rust; Monel can't rust. Neither can it chip or peel, for Monel is a solid metal. Actually, the surface is better looking now than it was when new. The facts about Monel are as well known as the facts about Postum, Maxwell House Coffee, Bakers Chocolate and all the foods Miss Sellers works with. National advertising has made products of both General Foods and International Nickel *household* words in America's homes.



5 "We have six food technicians and two maids working here all the time," Miss Sellers explains. She steps over to a Monel sink. "Our dishwashing is done right here, including all our heavy pots and pans." She indicates shelves loaded almost to the sagging point. "Even our work tables are Monel. We all agree that Monel belongs in modern kitchens where modern women prepare modern meals."

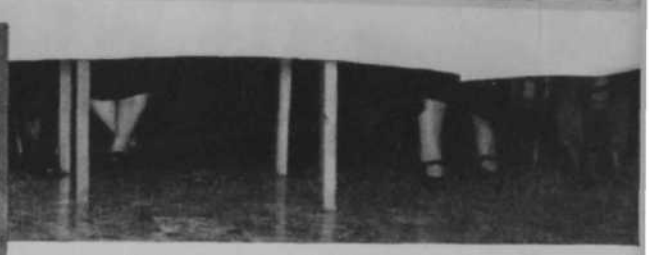


6 *More than 50 products are shown on the cover of the General Foods Corporation annual report. Back in the factories where they are made, these products also depend, at vital points, on Monel to safeguard purity and avoid the contamination of rust or corrosion. Have you read "STRENGTH PLUS"—the "suggestion book" that shows how Monel saves money for thousands of manufacturers by overcoming corrosion and wear. Sent on request only, to business executives. Address please, Room 1806, The International Nickel Company, Inc., 67 Wall Street, New York, N. Y.*

2/3 NICKEL + 1/3 COPPER = **MONEL**

Monel inherits from Nickel its finest qualities — strength, beauty and ability to withstand rust and corrosion. When you specify metals, remember that the addition of Nickel brings toughness, strength, beauty and extra years of service to steels, irons and non-ferrous alloys.





Swift pensioners hold reunions in various parts of the country—this one in Portland, Ore.



E. L. Barnard (right), age 66, testifies for hale and hearty condition of pensioners



C. H. Benedict, one of the company's oldest pensioners, who celebrated his 102nd birthday in December, 1936



Employees honor Elizabeth Drautz, who retired on pension after 35 years' service in general office restaurant

The "Swift" Way to Security

HOW industry can and does look after the welfare of its employees is exemplified by Swift & Company's security plan which has been in effect for a quarter century.

To date more than 3,100 non-contributory pensions have been granted. Of this number more than 1,250 are widows and 20 are minor dependents. Male employees are eligible at 65, after 20 years of service, and women at 55. As it has always been a company policy to retain the older workers, employees with long service records have a high degree of security income. The pension fund, which is separate from the business, is invested in securities.

Vacations with pay for manual workers were started in meat packing plants by Swift & Company in 1923 and gradually were extended to other parts of the business. The present plan provides one week's vacation with pay for men with four years' continuous service and for women with three years' continuous service. Men or women who have ten years' continuous service receive two weeks' vacation with pay.

As far back as 1912, the company began to guarantee pay for a minimum number of hours a week. The guarantee is now 32 hours minimum work for steady employees.

If an employee is injured or incapacitated because of illness, a definite program provides special assistance varied according to type of affliction, length of service and other factors.

In addition to the company program, nearly 90 per cent of the employees have protected themselves from loss through accident, sickness and death by joining the Employee Benefit Association, which was founded in 1907 under the sponsorship of the company.

Justification for the faith of Gustavus Franklin Swift, founder of the company, in promotions of his own men as the soundest method of building *esprit de corps*, was again established in a survey of the company's 60,000 employees which revealed that 80 per cent of the executives began at the bottom of the ladder as messenger boys, laborers or clerks; 15 per cent began in slightly higher positions such as assistant foremen; and five per cent entered the organization in various managerial positions that required special knowledge.



"Maybe I'll *have* to come to it"

For the children's sake, we hope Santa Claus resists the temptation to use a Schick Shaver.

But every other male of shaving age should have someone to give him a Schick Shaver for a Christmas gift. It will bring such sheer joy and pleasure into the morning shave that he will remember and be everlastingly grateful as long as he lives.

Never again will he fuss with soap-and-water lather, brush, cream, powder or lotions. Never again will he cut or scrape himself. Let his first happy shave be on Christmas morning, assuring him of "a merry Christmas and a happy New Year"!

Ask any authorized dealer

He will show you the Schick and explain how simply it gives a quick close shave. **$15.**

SCHICK DRY SHAVER, INC., STAMFORD, CONN. Western Distributor: Edises, Inc., San Francisco. In Canada: Henry Birks & Sons, Ltd. and other leading stores.

SCHICK SHAVER

NO BLADES • NO LATHER

"Driving" Business Away

By MANNEL HAHN

YOUR trucks, with your name painted on the side, are advertising you. How?



A truck hogs the road and a store loses a customer

DO YOU advertise on the road? I do not mean by the obvious road signs, but in the way you never thought about—by your trucks and salesmen's cars, plainly marked on the sides. Because the chances are, you are advertising daily, without being aware of it. And usually advertising negatively.

Many millions of our fellow citizens are on the road a greater or lesser portion of each day. What are your feelings when, driving to your golf club, you are stymied by a road-hogging truck, that drives just fast enough to tantalize but not fast enough to permit you to get there as soon as you might—even if you obey most of the speed laws? When you finally manage to pass it and remember that it is the truck of the Ampersand Company, what are your reactions the next time you want to buy something that company sells?

Advertising is nine-tenths subconscious. It is a safe bet that you cannot tell what product most of your favorite radio programs are advertising this month. Subconsciously, however, when you next go to buy toothpaste or razor blades, you will remember the publicity that flew about your head once a week for 13 or 26 weeks. You may not buy it *then*, but you are one step nearer a purchase.

I do know that since a certain coffee company put on a program I like, I ask for their coffee where, before, I used to react to my wife's telephone message with an impatient "give me a pound of coffee" to the first clerk I saw. But, queerly enough, I avoid one certain chain of stores because their trucks have frequently taken up space I wanted. It may be childish, but I have a subconscious feeling that a company whose employees are so careless of the rights of the public will hardly be a fit place to spend my few dollars.



The store lost enough business right there to have paid for its week's advertising

Customers scared away

DO YOU operate a dry goods store? Well, last week a delivery truck for one of the largest in the country dashed through a residential street at a ridiculous speed, endangering several children on bicycles and narrowly missing a collision with a passenger car which had the right-of-way at an intersection. The incident was witnessed by the members of the Neighborhood Circle at one of their bi-weekly teas—and I overheard the conversations, because the tea was at my house and I was trapped in my study. I can assure the store owners that they lost, then and there, enough business to have paid their advertising bill for the week! And the effect of that, in some cases, is going to last for many months.

I was in an architect's office only yesterday, and he was letting a contract. The successful bidder had come in with a list of sub-contractors. The architect approved them all except the electrical contractor. He authorized the next highest bid, which was about $75 higher, because the owner remembered the previous winter,

(Continued on page 139)

Does anybody in the audience know this fellow?



THIS straw man has come in mighty handy in recent years.

Every nation-saver who wanted to stir up excitement has taken a crack at him.

Millions of words—spoken and written—have called him a string of dirty names.

The label hung on him says "Business." But does he look like anybody you know?

Take the corner grocer for instance. Or the man who sells you a new shirt, a suit of clothes or a pair of shoes. Or the man who sells you gas for your car—or a new radio.

These folks are businessmen, every one.

So are the men who run the factories where your clothes or shoes or new car or tires are built. They're businessmen too.

Yet does any of these real people check with that straw man that's been bawled out for almost everything under the sun?

Of course not! The plain fact is, there isn't any such scarecrow as "Business."

But there are *tens of thousands of separate businesses.* And there are millions of businessmen—men with the imagination to try out new ideas—men with the patience and nerve to keep plugging during tough times—men with the horse sense to figure ways of meeting payrolls, paying rent and taxes, and still turn out all the things you enjoy at a price millions can pay.

Add them all up and you have the working force in America. Look at the job they're doing and you'll see why thoughtful folks are saying, "When better times arrive, business will bring them."

If you are interested in a special pamphlet on this subject, write NATION'S BUSINESS. *No obligation.*

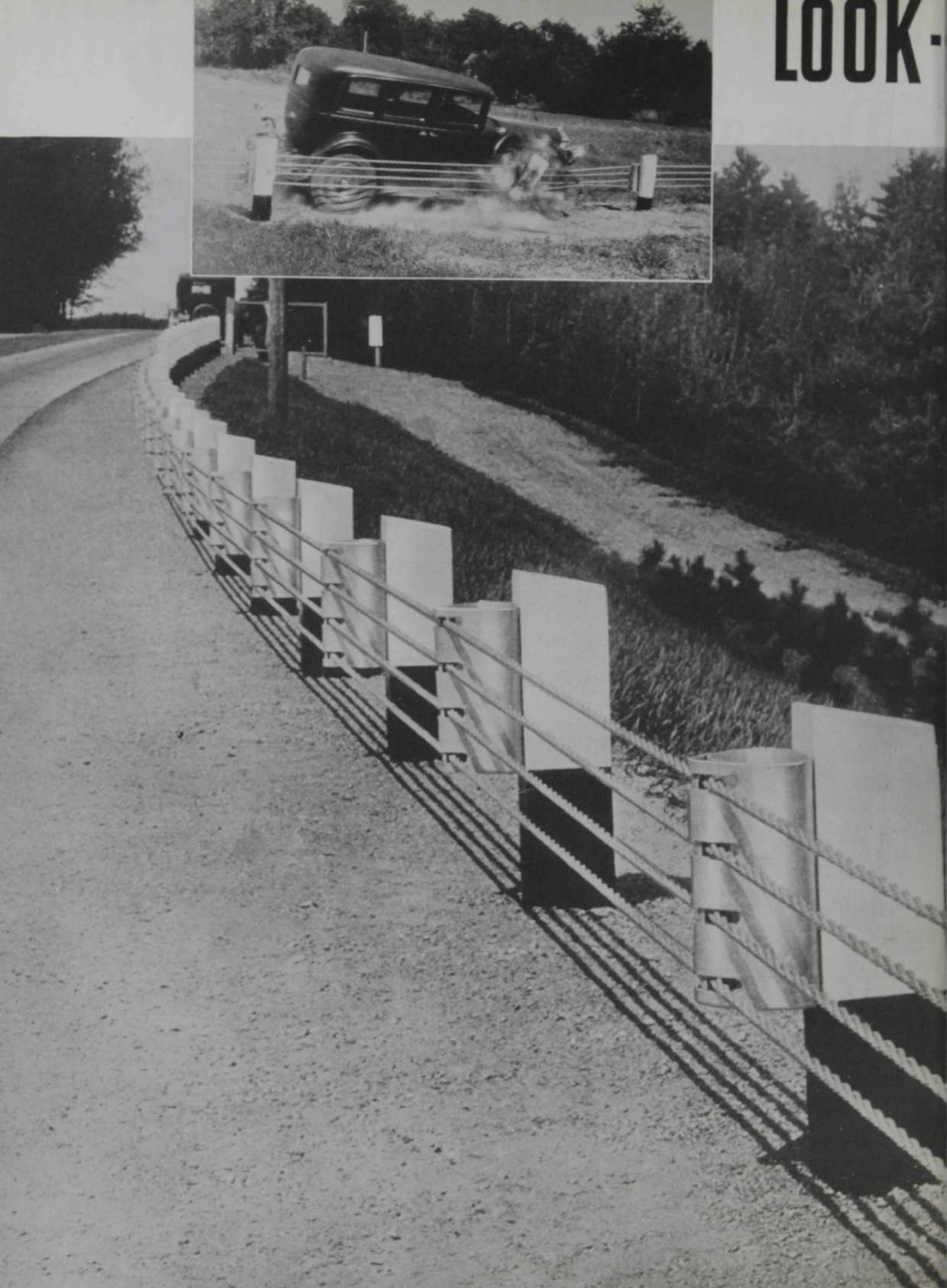
This advertisement is published by

NATION'S BUSINESS

It is the first of a series appearing in *The Saturday Evening Post* and other publications. The second is printed on page 130.

Our subscribers will recognize in it the spirit by which *Nation's Business* is guided and the purpose it serves—to encourage straight thinking about business and its relations with government.

If the message interests you, we are prepared to supply, upon request, copies in poster size for bulletin boards, and in leaflet form for distribution. Mats for newspaper use and electros for house organs are available. Write NATION'S BUSINESS, WASHINGTON, D. C.


LOOK-

..REAL ROADSIDE PROTECTION!



Made-to-order crashes show cars bounce off this steel highway guard like a fighter off the ropes

THE WORLD MOVES FORWARD WITH STEEL

DOWN THE HILL starts an empty car. Faster, faster, 30, 40, 50 miles—until CRASH!—it hits the fence.

Then what? Surprisingly it bounces back onto the road, with no more damage than a crumpled fender. No shattered glass, no flying splinters; shaken, to be sure, but right side up and steady on all four wheels.

Hundreds of tests like this have been made at the Worcester, Mass., proving grounds of the American Steel & Wire Company—a United States Steel Corporation subsidiary. Out of them has come the perfected USS Multisafty Highway Guard.

The cables are carried on spring steel offset brackets so designed that they do not catch bumpers or fenders, and protect against direct collision with posts.

With this and many other contributions the engineers of United States Steel have helped to make roads safer, just as they have worked with automotive engineers to make the automobile safer. Have you a similar problem? "Put it up to Steel." Any of the companies listed will welcome your inquiry.

USS

AMERICAN BRIDGE COMPANY • AMERICAN STEEL & WIRE COMPANY
CARNEGIE-ILLINOIS STEEL CORPORATION • COLUMBIA STEEL COMPANY • CYCLONE FENCE COMPANY • FEDERAL SHIPBUILDING AND DRY DOCK COMPANY • NATIONAL TUBE COMPANY • OIL WELL SUPPLY COMPANY • SCULLY STEEL PRODUCTS COMPANY
TENNESSEE COAL, IRON & RAILROAD COMPANY • UNIVERSAL ATLAS CEMENT COMPANY • *United States Steel Corporation Subsidiaries*

UNITED STATES STEEL

Speaking of Finance

By EDWARD H. COLLINS

Associate Financial Editor, the New York Herald Tribune



A FEW DAYS ago the Federal Reserve Board announced a general revision of the regulations governing discounts and advances made to member banks by the Federal Reserve banks. The statement was technical, and probably neither widely read nor widely understood. But, to those who have followed the swift series of changes in American central banking practice in recent years, it must have come as a rather shocking reminder of how far we have drifted from the standards imposed by the Federal Reserve Act of 1913.

Under the original provisions of the Reserve Act a member bank that wished to build up its balances with the Federal Reserve bank or to obtain currency therefrom was compelled to put up, as security for such borrowing, short-term, self-liquidating commercial paper. This arrangement was subsequently broadened (as a result of the war-time emergency) so that member banks might borrow on their notes secured by United States Government securities.

Then, 15 years later, came another great emergency, the collapse of the American banking system. In this emergency Carter Glass sponsored a measure conceived in pure desperation. This was the Glass-Steagall Act of 1932.

Among other things, this Act included the so-called "cats-and-dogs" section, which said, in effect, that those banks that had run out of eligible paper might, solely as an emergency matter, borrow against any sound assets in their portfolios.

Change is made permanent

THIS emergency measure would have died in 1935, but it was saved from expiration by the framers of the then pending banking bill, the so-called Eccles bill. Not only did this bill make it a permanent part of the banking mechanism, in normal times as well as bad times, but, as the latest regulations show, the section was even "liberalized." It has been liberalized in such a way that, not only is it now unnecessary for a bank to dispose of its "eligible" paper before resorting to the use of paper of lower grade, but in such a way that lending practices are almost completely discretionary with the Reserve banks. After suggesting nine types of loan that might be considered for advances (*advances* are loans made at a fractionally higher rate than *rediscounts*), the new regulations of the Reserve Board are topped with this capstone:

> In addition, when in the judgement of the Federal Reserve bank circumstances make it advisable to do so, the Federal Reserve bank may accept as security for an advance . . . . *any assets other than those set forth above, which are satisfactory to the Federal Reserve bank.*

Finally, the new regulations include a clause which those who distrust the Government deficit financing policy "regard as a sort of back-handed prognostication of what would be done in case of serious weakness in the Treasury issues." In any case in which a loan is made below the par value on United States Governments, the regulations state, "the Reserve bank shall explain the circumstances."

This is the first time the Board's regulations have alluded to this matter and it strengthens, with many persons, the growing conviction that, if anything happened to the Government bond market, the Reserve system would stand by and take all securities offered as collateral at par.

Why new regulations?

BEFORE we drop the matter of these regulations, one thing remains to be pointed out. That is the circumstances under which they were released for publication.

There was, under normal conditions, no reason for issuing new regulations now. There had been no revision in seven years, and the whole question of codification had been under consideration for two years.

Why, then, the release at this particular juncture? The Board itself provided the answer. In announcing the regulations, the Board stated that they were deliberately issued at this time "as an appropriate sequence of the System's recent reduction of discount rates."

Here is "managed currency" not in theory but actually at work.

The bond market declines, and what happens?

First, the Board announces a cut in the rediscount rate; next it announces the de-sterilization of $300,000,000 in gold; and finally, as a third step in its program, it brings out its new set of regulations.

To put it another way:

First the Board said, in effect, to the banks: "Don't sell your Government bonds. We have put the bank rate down so low that it is more profitable to keep them and, if necessary, borrow from us to carry them."

Next it said: "Hold your horses a minute and don't get nervous. We are releasing $300,000,000 of sterilized gold so you won't even have to borrow. There is plenty of money. Go out and buy more bonds."

And finally, it brought out its new regulations, thereby saying in effect to the banks: "See, the Federal Reserve is back of you. Don't be afraid. All we ask is that you expand your deposits. If you get into trouble, the

In the typewriter "tough spots" you'll usually find the L C Smith

16 HOURS A DAY

"The . . . . . Company has 8 L C Smiths which are used on automatic typing machines. During the rush period these machines are used 16 hours a day and write several hundred thousand letters per year. They see continuous service for a period of three years."

COURT REPORTERS

"We have used L C Smith typewriters in our office exclusively for the past 29 years and find that the maintenance cost has been practically nil. Our reason for using L C Smith is the increased speed developed in the all-day run. At different times we have compared other machines, but so far have found no typewriter that can at all equal the L C Smith."

A LIFE INSURANCE COMPANY

"We just placed an order for a 14" new Super-speed L C Smith. It is all that the name implies for speed, and may we suggest that it also produces a superior quality of work. Our maintenance cost for our large and exclusive equipment of L C Smiths is very small indeed."

DAILY NEWSPAPER

"You will agree that in no line of business will a typewriter take harder punishment than in a newspaper office. The fact that we have machines in our Editorial Department that have been in constant use in excess of eight years is substantial evidence that the L C Smith is a good typewriter."

The speed, the easy action, and the "toughness" of the L C Smith are proverbial among veteran operators. But for a real typewriting thrill, have your secretary try the new "Super-speed." With its touch selector, floating shift, tabulator set and re-set in keyboard, and other features . . . *plus*, of course, the traditional Smith ease and speed . . . we can even more confidently promise you "more work at lower cost with less fatigue." Ask for a demonstration.

L C SMITH & CORONA TYPEWRITERS INC
SYRACUSE NEW YORK
Branch Offices in 42 Principal Cities

THE NEW *Super-speed* L C SMITH



CORONA "THE FIRST PORTABLE"

New 1938 "Pacemaker" Speed Models now available at all dealers

Reserve banks have orders to bail you out."

Bonds will be supported

THIS series of incidents is extremely important as a reminder that those who two years or more ago charged that the Administration in the Banking Act of 1935 was "packing the banking system" were 100 per cent right. Under the regional system of banking things like this—open invitations to unsound banking so that the Government bond market might be supported—could not have happened. They are happening today, first, because the Federal Reserve Board has become a central bank of immensely greater power than any of the three (The First Bank of the United States, The Second Bank of the United States, and the Aldrich plan bank) that were violently rejected in earlier years of our history, and, second, because the Board has placed itself clearly at the disposal of the Treasury, rather than of business and commerce.

Some of the possibilities of this arrangement were implied in Mr. Eccles' testimony before the House Committee on Banking and Currency on March 18, 1935. On that day he was asked by Representative Hollister:

> Do you not fear that in the event the situation were to create a condition of continued deficits—a time arising when the floating of Government bonds became more and more difficult—would it not be almost impossible for the Federal Reserve Board, constituted as it would be under this bill, to refuse to cooperate with the Treasury in continuing a financial policy which independent bankers considered unwise?

Mr. Eccles' reply was:

> I think it would be extremely unfortunate for the bankers if a situation were reached when the Government, having a continuous budgetary deficit, was unable to get the cooperation and support necessary from the Reserve Board and the bankers; for the reason that it would probably mean that, under these circumstances, the issuance of currency, rather than bonds, to pay for the budgetary deficits . . .

If the Board adheres to this philosophy, then it must continue to accommodate its policies to the policies of the Government, no matter how long or at what rate the latter continues its wholesale spending and its deficit financing. Why? Because if it doesn't tag along, regardless of how many stimulants it has to administer to the money market, then the Government might resort to the printing press!

It is one of the great misfortunes of our times that not enough persons were alert to what was going on when the Banking Act of 1935 was made law. Perhaps the trouble was that the country was not mentally prepared for it.

Those who defend the changes in

Unemployment Census Committee Starts Counting



UNDERWOOD & UNDERWOOD

THE country will learn the result of the first official attempt by Government to take a voluntary unemployment census shortly after January 1, according to John D. Biggers, president of Libbey-Owens-Ford Glass Company and chairman of the Unemployment Census Committee. Congress has appropriated $5,000,000 to take the census. Sixty million cards will be printed and distributed throughout the nation by Uncle Sam's mail carriers in an effort to get the unemployed and partly unemployed to answer 14 questions on their status.

The photograph shows chairman Biggers with his committee. Left to right seated are:

A. F. Whitney, Pres., Brotherhood of Railway Trainmen; Secretary of Labor Frances Perkins; Secretary of Commerce Daniel Roper; John D. Biggers, Chairman of Committee; Secretary of Agriculture Henry A. Wallace; Stuart A. Rice, Chairman of Central Statistical Board, and William L. Austin, Director of Census.

Standing: John L. Lewis of C.I.O.; W. Averell Harriman, Chairman, Business Advisory Council; Allen Johnston, Council of Special Committee of the Senate to investigate unemployment; Corrington Gill of W.P.A.; M. W. Thatcher, former President, Farmers National Cooperative Grain Corporation; George H. Davis, President, U. S. Chamber of Commerce; W. Frank Persons, Director of the U. S. Unemployment Bureau; Chester M. Gray, representing American Farm Bureau Federation; Noel Sargent, Secretary, National Assn. of Manufacturers; Fred Brenckman, representing National Grange; C. B. Uttery, Supt. Division of Post Office Service; Boris Shishkin, representing A. F. of L. and Arthur J. Altmyer, Social Security Board.



. . . . *I was* IMPRESSED *with what I* SAW

"That motor trip to the Pacific coast was a revelation to me. It brought me face to face with many conditions about our business that I had only heard of before. Our distributors and important customers showed me something of local interest at each point.

"At one place they were proud of the new telephone building (1). At another point I was taken through the offices of the Board of Education (2). In another state I was shown the record of all the voters (3). One customer showed me through the offices of a great religious institution (4). They took me over Boulder Dam, the great Golden Gate Bridge at San Francisco and I saw how a certain state provides for the handling of Old Age Benefits (5).

"I saw how business, colleges, schools, public utilities, municipalities, and large organizations, each control their vast activities—under Eye Control—on the same type of Acme equipment we use in our own business. I appreciate now, more than before, the importance of keeping our records under Eye Control."

As one visits the great institutions of America he will always find Acme Visible Equipment used, providing Eye Control for every activity. To *see* is to extend vision—and accomplishments.

New Record Keeping Manual

Acme has prepared a Manual, now ready, dealing with new methods of applying record equipment that lead to more productive control of every activity where records must be kept. A copy of this Manual is available to rated concerns. Attach the coupon to your business letterhead.

**The names of the institutions referred to in this conversation will be made known to interested parties on request.*

*(1) Telephone companies use Acme Visible Equipment on active and important records, among them, the listing of all subscribers.

*(2) Boards of Education use Acme Visible Equipment for student records involving a complete record of each individual of school age (one of the recent developments in our public school system).

*(3) Permanent Registration of Voters. Many Acme installations involve several hundred thousand names on Visible Equipment.

*(4) Great religious institutions keep a complete record of each member on Acme Cards permitting proper coordination of all activities.

*(5) Acme Visible Equipment is an aid to state governments in keeping Eye Control over Old Age Benefits, preventing improper payments.

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( ) Send manual on record keeping methods.
( ) Send sample forms for _____ records.

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FIRM _____
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The Long Remembered Meal



THE JOY of discovery brightens the eyes of the traveler who partakes of his first dinner on one of the famous Tavern Cars of Chesapeake and Ohio. Here is a meal to be remembered for a long time. Here, with graceful service and in surroundings suggestive of the homes of gentlemen of Colonial days, are served the choicest of fresh foods cooked to a turn by master chefs who glory in their art. And the cost is only what you would pay in a moderate-priced restaurant. Experienced travelers know about this famous food, and when they travel between East and West, choose The Railroad with a Heart.

•

A Sample Chesapeake and Ohio Tavern Dinner—75c

Pickled Beets
Creamed Chicken on Toast
or Broiled or Fried Lake Fish, or Omelet
Mashed Potatoes Green Peas Sliced Tomatoes
Assorted Bread
Ice Cream or Fresh Peach Roll Coffee, Tea or Milk

•

THE GEORGE WASHINGTON
THE SPORTSMAN • THE F. F. V.
America's Most Distinguished Fleet of Trains

CHESAPEAKE AND Ohio LINES



the original Reserve Act which, when taken together, have transferred entire control to the central Board like to quote from President Wilson to show that all this is merely giving expression to the late President's theories.

Mr. Wilson is quoted as having said:

> Control . . . must be vested in the Government itself, so that the banks may be the instruments, not the masters, of business and individual enterprise and initiative.

But consider the situation. The Banking Act of 1913 grew out of the panic of 1907 and the subsequent revelations of the Pujo Committee. What Mr. Wilson, naturally, feared most was the Wall Street "money trust."

He had never dreamed—nor had anyone else at that time—that one day an attempt might be made, through the System, to organize the whole monetary mechanism so that the country might live indefinitely beyond its income.

Doubtless, between the two, Mr. Wilson faced with this possibility, would have preferred to take his chances with Wall Street. We will never know the precise answer to that.

What we do know is that the two men who stood closest to the 1913 President in the formulation of the original act—Senator Carter Glass and the late Dr. H. Parker Willis—saw clearly what was being accomplished in the Banking Act of 1935 and fought it to the last.

Engineers Pioneer International Pathway



FOR nine years, the Brazilian Highway Expedition has been working its way northward while making its survey for a 16,000 mile intercontinental highway that will link the two Americas at a cost of from $250,000,000 to $300,000,000.

In the above picture, they are explaining their 34 maps and the project to President W. O'Neil of General Tire. They are, left to right: Mario Fava, mechanic and technician; Commander Leonidas Borges de Oliveira, head of the expedition; S. W. White, Dallas and Monterey newspaper publisher who acts as interpreter; W. O'Neil; Francisco Lopez de la Cruz, observer; and W. L. Gosling, of General Tire and Rubber Export Company.

The expedition travels in Model T Fords, in which they traversed almost impassable stretches of country in Central and South America. For weeks at a time, they lived on parched corn, roots, and had no drinking water except what they obtained from stalks of the bejuco tree.

When gasoline was not available they ran the cars on kerosene mixed with alcohol and lubricated them with hoglard. At times they had to hew tunnels through dense vegetation just large enough for the car to get through but so thick overhead that sunshine could not penetrate it.

About 10,000 miles of the 16,182 miles on the proposed highway are now open to motor traffic and, from assurances of cooperation by the various countries traversed, it is expected that the route will be opened south to Honduras within two years and that the entire project will be completed in six years.

The Pan-American Highway would enter the United States at Laredo, and extend from there to Austin, Dallas, Little Rock, Memphis, St. Louis, Springfield, Chicago, Detroit, Cleveland, Akron, Pittsburgh, Washington, Philadelphia and New York, enabling South American visitors to this country to traverse the most important industrial and commercial centers.

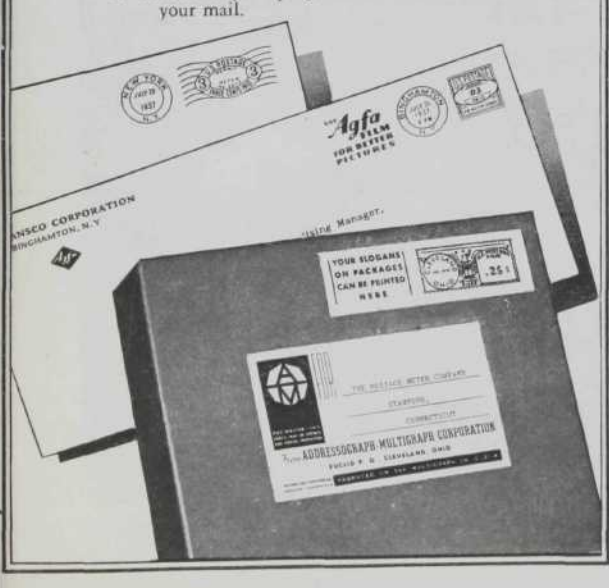


OF *Big* FROGS IN *Little* PUDDLES

METERED MAIL is a system of prepaying postage by means of a Postage Meter, set by the Post Office and operated under Government seal, which records and prints postage in non-negotiable form in any denominations required. Equipment for handling letter-mail seals envelopes as the postage is printed.

Metered Mail—a better and safer way of paying postage:

1. Speeds delivery by obviating routine postal operations.
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4. Permits automatic printing of advertisements on envelopes and parcels.
5. Used for letters, parcel post and other types of mail.
6. Advertises your progressiveness to all who see your mail.



THE PROVERBIAL big frog can't do much about the size of his puddle, but many are the top-flight executives who make small businesses grow phenomenally. Among other things, these alert, far-seeing men realize that efficiency of management is not for big business only.

To such big small-business executives, the advantages of Metered Mail—the modern, better method of mailing, already universally used by big business, now available to small business—warrant immediate investigation.

The size of an organization makes no difference in the importance of fast and dependable mail service. Efficiency and economy are just as vital in the small business office as they are in offices of greater scope. That is why Metered Mail is so widely used by progressive business concerns—irrespective of their size.

A request on your business letterhead will bring you "Facts for Executives"—a booklet full of dollars and cents information about Metered Mail.

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® TRS

The Lengthening Shadow of Two Men

(Continued from page 18)

the Northwest from untold losses.

At the height of the crisis, just before the bank holiday, Decker was awakened by the ringing of his telephone at 2 A.M. The call was from Spokane, where the Bancorporation then had an affiliated bank. President Ferris of the Spokane bank was speaking. He said the largest bank in the city was not going to open its doors next morning. What should he, Ferris, do?

"There is only one thing," said Decker, "to do. Give your depositors their money, whenever they ask for it."

"You mean we can pay off all of the depositors, if they ask for their money?"

"There is nothing else to do."

A great gasp of relief traveled all the way from Spokane to Minneapolis.

This Spokane bank at that time had deposits of about $7,000,000. They fell to nearly $3,000,000 before confidence was restored. Later they bounded up to almost $30,000,000. The founding of these corporations was an act of banking vision that literally touched hundreds of thousands of desperate pocketbooks in the Northwest. . . .

During the war there was a great increase of cultivated crop land and an overexpansion of agricultural credit in the Northwest; and post-war deflation, coupled with a series of poor crops, created a serious emergency for farmers in that region, and for banks that had financed them.

A bill was introduced in Congress in 1923 designed to extend government credit for long-time loans to farmers for the purchase of live stock: a more diversified type of agriculture in this area, it was felt, was a great immediate need.

The bill was killed in Congress. President Coolidge, however, believed the principle sound and, at the suggestion of Secretary Hoover, called a conference of business men to suggest that private agencies put the idea into operation.

This was the genesis of the Agricultural Credit Corporation of which Jaffray became chairman and chief in policy formation. Subscriptions to the Corporation's bonds were taken in various financial centers, east and West, the theory being that the country at large could not prosper as it should unless the Northwest was helped back on its feet. In all, 434 individuals and corporations subscribed $10,000,000. But only $6,000,000 was ever called. The Corporation's first job was to help a lot of local banks that were in trouble. Loans totalling $5,700,000 were made to or for no less than 236 banks in five states, the security being mostly frozen assets. Crops in 1924 were good, pressure on banks eased, loans of this kind were stopped.



THE FIRST DIVISION

ST. PAUL AND PACIFIC RAILROAD.

1872. SUMMER TIME TABLE. 1872.

MAIN LINE.

GOING WEST — GOING EAST

ST. PAUL.
ST. ANTHONY.
MINNEAPOLIS.
DELANO.
LITCHFIELD.
WILLMAR.
BENSON.
MORRIS.
BRECKENRIDGE.

ST. PAUL & LITCHFIELD TRAIN.

ST. PAUL.
ST. ANTHONY.
MINNEAPOLIS.
DELANO.
LITCHFIELD.

ST. PAUL & MINNEAPOLIS TRAIN.

ST. PAUL.
ST. ANTHONY.
MINNEAPOLIS.

BRANCH LINE.

GOING NORTH. — GOING SOUTH.

ST. PAUL.
JUNCTION.
ANOKA.
ELK RIVER.
ST. CLOUD.
SAUK RAPIDS.

PURCHASE TICKETS at the Station before entering the Cars, as a Premium from the regular Fare is charged.

The Company will not be responsible for the Safety of any Baggage after the arrival at

J. B. KAFFALL. E. G. STYLE.

BROWN BROS.

Transportation comes to the Northwest



BROWN BROTHERS

Cheap money conveniently repayable enables farmers to buy high grade foundation live stock. This view of a recent stock show reveals the continuing results of this plan

DON'T SET THE BRAKES!

TWENTY years ago the United States government took over the American railroads as a war measure.

It gave those roads back to their owners in 1920—on the eve of a depression.

And it gave them back with operating costs thrown all out of balance with income under a law which put rigid limits on earnings but made no provision for future losses.

Then started an uphill job. Stretching ahead of railroad men and management were such tough problems as these:

They had to find ways to meet greatly increased operating costs with lagging revenues.

They had to repair and replace war-worn equipment.

They had to face new forms of competition.

They had to serve a nation increasing in population—extending its industrial frontiers—demanding better transportation than ever before.

And they had to operate under rules, regulations and restrictions more complex and bewildering than those imposed on any other business in America.

It was a job to test courage and challenge enterprise—but the railroads started the long slow climb.

Let us look now at the progress they have made: Great new locomotives have been developed—twice as able as the engines of 17 years ago.

Freight moves today 50% faster than in 1922.

Curves have been straightened — stronger bridges built — thousands of miles of heavier rails laid to make safe speed possible.

Safety has steadily advanced — for passengers and railroad employes — and the magnificent safety record of the railroads has won universal recognition.

Everyone is familiar with the streamlined trains, air conditioning, and all the other improvements pioneered for passenger comfort.

And the American railroads pay a tax bill of close to a million dollars a day.

When you sum up the record of American railroad progress in the face of all obstacles, it packs into this:

They deliver the finest railroad service in the world—so fine that delegations from foreign countries regularly visit America to study their methods.

They haul freight at the lowest railroad rates in the world—moving a ton a mile for an average revenue of less than one cent. Today's average freight revenue is 23½% lower than the peak of 1921, shortly after Government operation ended.

And with all this, *they pay the highest railroad wages in the world.*

Meanwhile the mountain of regulation has piled steadily higher—under state law as well as federal.

An immediate threat is the TRAIN-LIMIT-BILL in Congress — a bill to put an arbitrary limit on the length of freight trains and so to force the railroads to run more trains than are needed to handle the Nation's business. This "make-work" bill is proposed under the pretext of safety.

In face of the fact that the American railroads have reduced accidents to employes by three-fourths in the past fifteen years, the same years in which the railroads developed longer and faster trains for better service—

In face of the fact that the more trains you run the *greater* the chances of accident, especially at grade crossings—

In face of the fact that this one law would add more per year to the cost of railroad operation than the *total* cost of all air conditioning to date—*this bill has already passed the Senate.*

The harm of this legislation is measured in more than money-cost, great as that will be. It wipes out the major benefits of the fine new equipment, tracks and terminals the railroads have developed for handling freight today—*but more important still it stymies progress, and hamstrings future initiative, enterprise and invention.*

Do you want the advancement of the nation's basic transportation system brought to a standstill? If not—it's up to you!

Don't set the brakes on railroad progress!

ASSOCIATION OF
AMERICAN RAILROADS
WASHINGTON, D. C.

Jaffray pioneered a new plan aimed at putting the whole area agriculturally on a sounder long-time basis. The idea was to help farmers finance the purchase of high grade foundation live stock with cheap money conveniently repayable. The maximum loan per individual ordinarily was to be $1,000. The borrower was supposed to pay in cash or other collateral at least 20 per cent of the purchase price of the live stock he wanted out of his own pocket, and the loan principal was to be repaid in three annual instalments of 30, 30, and 40 per cent. A committee was to be organized in each community to recommend (but not guarantee) loans. To insure high grade stock at reasonable prices, the Corporation undertook to buy and distribute animals to borrowers at cost.

Here, for those times, was a new kind of undertaking. Private capital did it. It was suspect at first, but not for long. Within five years, the Corporation had made loans in approximately 1,000 communities in six states, to more than 9,700 farmers, for the purchase of some 257,000 sheep and nearly 22,000 cattle. Considering that borrowers were nearly always in some degree distressed, repayments were high. Losses ran about one-half of one per cent of all loans made.

The Corporation was not operated for profit. Nevertheless, when the books were finally closed, every subscriber got back the principal in full. Agriculturally, a great work had been done, and the example had been set for the continuing work of such organizations as the Greater North Dakota Association, the Agricultural Committee of the American Bankers Association, and others.

Superseded by Federal agencies

THE Corporation passed out of existence when legislation was enacted permitting federal agencies to engage in a similar type of credit extension. The Corporation is historically important for pioneering *the method*. . . .

Crises! In 1907 came the brief, sharp bankers' panic. Money froze; currency payments ceased. Business was transacted with clearing-house certificates.

Now Minneapolis banks each fall sent large sums of currency out through grain-growing areas to finance wheat purchases. About $50,000,000 went out in 1907 before the panic developed, and it had not had time to trickle back from local banks, as it ordinarily did, before the currency freeze.

The banks had it. And kept it. Not that they needed it. But they felt that, if there was going to be a shortage, they might as well hang onto what they had.

Ed Decker had an idea. In December, in Chicago, he called on E. D. Hulbert, vice president of the old Merchants Loan & Trust Company, and suggested that Chicago banks stand back of Minneapolis banks to the extent of about $2,000,000 so that the Minneapolis banks could promise



UNDERWOOD & UNDERWOOD

New Chairman of SEC

WILLIAM O. DOUGLAS, new chairman of the Securities Exchange Commission told newspaper men in his first interview that he believed the SEC should be cast in the rôle of an "investor's advocate."

He warned, however, that the Commission can in no sense serve as an investment council nor "save a fool from his folly," and pointed out that the members have never guaranteed price levels or individual prices and would always seek to maintain a free market, not a fixed market.

In respect to the ever troublesome matter of prospectuses and registration statements, the new chairman promised a shortening of prospectuses by which new securities are sold and a consolidation of forms, as well as an SEC effort to improve accounting practices.

In speaking of the duties of the Commission, he said:

> The Commission faces a period of expansion. As the constitutional issues are resolved on the holding company act, there will be expansion. If that act is upheld, the utility division will have a major job to do. The Lea bill, the Barkley bill and the Chandler bill will call for expansion. The investment trust program will call for expansion.

The Barkley bill, if passed, would place more stringent regulations upon the issuance of bonds where services of a trustee are required. The Lea bill would put the SEC in the position of regulating business reorganization. Both bills have been criticized in business circles as placing unnecessary handicaps upon reorganization of corporations that may be in financial difficulties.

Followers of SEC activities question whether Mr. Douglas' election as chairman will give impetus to a Commission program to segregate broker and dealer activity.

Mr. Douglas is 39, and a native of Minnesota. He attended school in Yakima, Wash., and graduated from Whitman College in Walla Walla in 1920. He received an LL. B. from Columbia in 1925. In 1928 he joined the faculty of Yale University, after a period of private law practice in New York City.

He has gained a reputation for his use of the English language in law books, magazine articles and press interviews. Tall, sandy haired and lean featured, he is the son of a Presbyterian missionary, served as a private in the World War and is a member of several clubs and fraternal bodies including Phi Beta Kappa and the Masonic order.

He succeeds James M. Landis, who retired to become dean of the Harvard Law School. The retirement of J. D. Ross to head the Bonneville dam project will leave two vacancies on the Commission.



STRAWBERRIES in January! In the nineties! Only tony restaurants like old Delmonico's could afford to serve them.

In those days, food trains were few and slow; trucks were horse drawn; refrigeration was costly, inefficient; and the science of low-temperature insulation was still in its infancy.

Today, long food trains rocket across the continent at passenger-express speed—fleets of motor-drawn food trucks speed across half a dozen states in a single night. And whether en route, or resting in storage warehouses, perishable foods are kept farm-fresh by modern refrigeration.

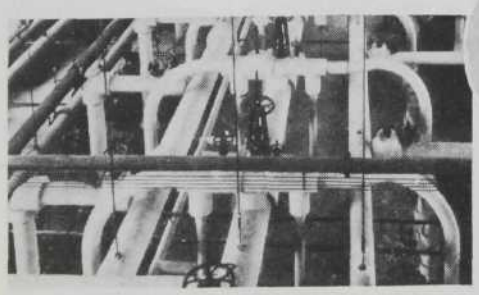
And by "modern refrigeration" is meant not just *making* the cold air—but *sealing it in*. To do the latter job for them, leading transportation companies, brewers, meat packers, fruit, vegetable and dairy product warehouses, ice and ice-cream makers use Johns-Manville low-temperature insulations.

Perfected through 30 years of research, they work well and cheaply. Play a big part in bringing perishable foods to your table fresh and delicious, in season and out. And at the same time, help food men keep refrigeration costs *low*.

But J-M insulations (there are more than 40 of them, covering every temperature requirement) do many another big job. They help keep homes comfortable, for example, despite outside temperatures. And by checking heat losses in industrial plants of every description, they save American industry over 250 million dollars annually. Johns-Manville, 22 East 40th Street, New York.

JOHNS-MANVILLE JM

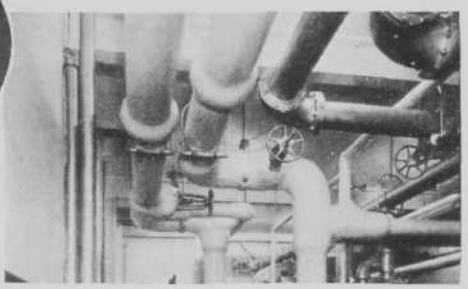
The more heat that gains access to cold piping, the bigger the refrigeration bill will be. That's why so many of the leading cold-storage warehouses cover their refrigerating lines with permanently efficient J-M Rock Cork Insulation.





For walls, floors and ceilings of cold-storage rooms, J-M Rock Cork Sheet Insulation. Moisture-resistant, rotproof, this mineral insulation retains its high insulating efficiency indefinitely.

Johns-Manville makes insulations for every temperature condition from 400° F. below zero to 3000° F. above. Here industrial steam lines are protected against costly heat losses by J-M high-temperature insulations.



other People

WHAT DO PEOPLE

"After my husband and I read the Post I send them to my mother. She reads them and then gives them to different families. They are handed on and on to numerous people all of whom enjoy good reading."

HOUSEWIFE, ILLINOIS

"I keep the Posts until about three months issues have accumulated and then send them to my brother-in-law's farm where I would conservatively estimate the copies are read by at least ten other persons."--

REPORTER, PENNSYLVANIA

"The length of time I keep the Post is something over a year. Before disposing of old copies, I go through them, tear out those pages which seem likely to be of interest for a longer period. These I file away. I have many articles five or six years old."—

CITY LETTER CARRIER, MONTANA

"There are five people in my family. The Post is read by them all, and is then sent out to a ranch where it is always read by three or more men —

TEACHER, NEW YORK

"We keep all copies of the Post for one year, for reference in Women's Clubs programs, both articles and pictures illustrating same. Then we turn the entire series over to another family of six." --

EDITOR NEWSPAPER, NEBRASKA

read and passed on

DO WITH THE POST?

LOOK at these few extracts from letters to *The Saturday Evening Post.* Thus do thousands of interested people write the *Post* each year, volunteering that their copies are read by three, five, ten, even more people.

It gives you an inkling of what happens to three million copies of the *Post* each week.

Possibly three times that number read it. Or five times. Or more. Write your own figure.

A market of so many millions is something to ponder...you who sell radios or refrigerators, soup or soap or silverware. Or whatever.

Many advertisers have been able to build success by regularly and thoroughly selling this vast *Post* market. A market which absorbs the output of many great factories—a market in which national reputations are solidly built.

"I have no idea how far my copies of the Post go. They are given to a family of meny members and I understand are passed on from their house. Besides, numerous college students, who spend many evenings in our home, always read the magazine."—
PROF. OF CHEMISTRY, OHIO

six months a long time to keep a magazine but I always look forward to

"As there are but 2 in our family, we pass the Post on to different people. This year we are passing it on to a family of five—father, mother, three sons"—
WATCHMAN, PENNSYLVANIA

"After reading the Post, I always leave it for customers to peruse. Sometimes they finish an article or story while they are waiting, before they leave. Later on, I give them away to others."
SHOE SHOP & NOVELTIES, FLORIDA

THE SATURDAY EVENING POST

He Operates a Punch Press Yet...

He's a Budgetary Expert!



For every master of money management in your financial department there are scores among the overall-clad ranks of your plant! Take a typical punch press operator. Father of three healthy, well-fed, neatly dressed children. Paying for a modest yet comfortable home. Driving a car—not the latest model, of course, but a perfectly respectable vehicle for weekly outings. Even putting a few dollars into the bank every month. How would *you* do all this on *his* weekly wage? You'll grant that he and his wife perform miracles of budgeting—make the problems of your treasurer pale in comparison.

But when an unforeseen emergency—lay off, accident, any one of the many hazards of industrial civilization—exhausts the family's reserves, budgetary skill doesn't help much. The family must have money help quickly. At Household Finance any responsible worker can borrow on his future earning ability—without security or embarrassment and at reasonable cost. Repayment of the loan is made in small monthly instalments. Last year Household Finance acted as "Doctor of Family Finances" to more than a half million wage earners.

To help lower bracket groups make the most of their limited incomes Household Finance carries on an extensive educational program in money management and better buymanship. Thousands have learned from Household's practical publications to spend wisely and save on daily necessities. Schools and colleges make daily use of this material.

Interesting Booklets Free

To employers and supervisors of employees the story of Household's work as "Doctor of Family Finances" presents a little known aspect of the modern small loan company and its role in today's industrial society. We will gladly send you interesting, illustrated booklets describing Household's activity as lender and family financial counselor. Please use the convenient coupon below.

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their correspondents currency whenever they needed it. If this could be done, he said, the grain money would begin to flow.

Hulbert urged Decker to tell his story to the Clearing House Committee which was then in session. Decker went right over. Chairman of the Committee was Decker's old boss, J. B. Forgan.

"Young man," said Forgan, when Decker finished expounding his idea, "do you know what you are proposing?"

"I think," said Decker, "I do."

"Well," said Forgan, "you are proposing to resume currency payments all over the United States. For if this is done in one section, it will have to be done everywhere."

Decker said that was so.

The upshot, anyhow, was that Chicago banks agreed. Decker went home. The promise to send currency to the local banks went out. Grain money began to flow. The Chicago guarantee was never asked for. Confidence was restored. By Christmas the crisis was all over. . . .

Cooperatives have not made as much headway in the United States as elsewhere. Scandinavian countries, especially Sweden and Denmark, have developed them to a high point. There is a large Scandinavian population in Minnesota and the Northwest, and probably a more intensive development of cooperatives has taken place here than anywhere else in this country.

Improving butter brands

THE Midland Cooperative Oil Association, with several dozen local branches in Minnesota, does a business of several millions. The Central Cooperative Wholesale of Superior, Wis., just across the water from Duluth, is said to be the biggest of its kind. The Franklin Cooperative Creamery of Minneapolis distributes about one-third of all the milk used in the city. And there is Land o' Lakes Creameries, Inc.

To Decker when Land o' Lakes was in process of formation, came some of its sponsors. They outlined a critical, destructive situation: 500-odd local creameries, each selling its products under its own name, in competition with all others, the result being that dairy farmers made little money. They proposed a large central cooperative to unify a brand name, to standardize quality and conditions, to make the utmost of market possibilities. They asked Decker to help finance it.

"I will help every way I can," he said. "Your idea is fine. But the backing of a big private bank might be a hindrance rather than a help. You don't need very much money. What you do need you ought to get mostly from members. But I will tell you what you do need. You need to guard against the objections your members will raise, when you try to pay as much as you will have to to get skilled management. You will certainly fail if you don't have that."

The warning was heeded. John Brandt was hired. Standards were rigidly set and maintained. For the first time butter buyers in Boston, Philadelphia, Washington, could be sure of ordering a grade of butter in Minnesota and getting the same every time. Land o' Lakes under Brandt has become one of the largest cooperatives in the world. . . .

Reorganizing weak companies

BUSINESS organizations and reorganizations in which Decker and Jaffray have cooperated, are beyond counting. Strikingly successful has been the Northwestern National Life Insurance Company.

For several years before 1905 it had not done so well and there was danger of its becoming insolvent with consequent heavy loss to its many policyholders. Jaffray recognized that the failure of such an institution would do great harm to the city and state. When, therefore, Governor Johnson was informed of the situation and requested five leading bankers in Minneapolis to see what could be done, they consented to take over the task of reorganization.

Three of them, Jaffray, Decker and F. A. Chamberlain, have been directors of the company ever since. Under their guidance, with the management chosen, it has become one of the soundest in the country, with more than $400,000,000 of insurance in force.

The sort of leadership that, without a dominant selfish aim, aids good management in organizations touching the lives of thousands of people, resulting in security of investments or employment, is social service of incalculable value.

Their own banks, of course, have grown tremendously. The Northwestern had 17 employees after Cashier Harris hired Decker. Now it has 500-odd. Its resources exceed $123,000,000. Those of the First National exceed $146,000,000.

In the 'Twenties, Jaffray and Decker agreed that a number of Minneapolis banks, while superficially in good shape, might not be able to weather a storm. They agreed it would be wise to endeavor to purchase these banks. This they did and have operated them since as branches. As a result, there has been no important bank failure in Minneapolis

in 20 years.

Business leadership is only one force in determining a city's destiny. A powerful one, to be sure. But other forces, political, economic, racial, international, climatic, unpredictably and powerfully determine it too.

Climate, by its direct and indirect effects on the human mechanism, seems to have been more than usually influential in Minneapolis and the Northwest[1]. It is a habit of Minneapolitans to say that their weather is "always either damn hot or damn cold." Jim Hill, asked in Florida what Minnesota was like, said gruffly:

"We wear overcoats—and pay our debts!"

Climate must have helped powerfully to mold the temperaments and energies of the men who made headlines in Minneapolis in the summer of 1934. Labor warfare broke out. Deadly, bitter. A prominent business man was killed, others on both sides were killed, heads were bloodied in street battles fought by strikers and business men deputized to maintain law and order.

Minneapolis manufacturers had long felt bound to maintain the open shop as a means to combat manufacturing handicaps due to distance from markets and raw materials. The summer of 1934 changed that, perhaps did much to change the trend of destiny in the Northwest.

Labor war brought unionism to Minneapolis. How it will finally affect the city's future, only the future can tell. Some see disaster. Some say the situation is better for a clearing-up. A strong younger type of leadership on labor questions is developing.

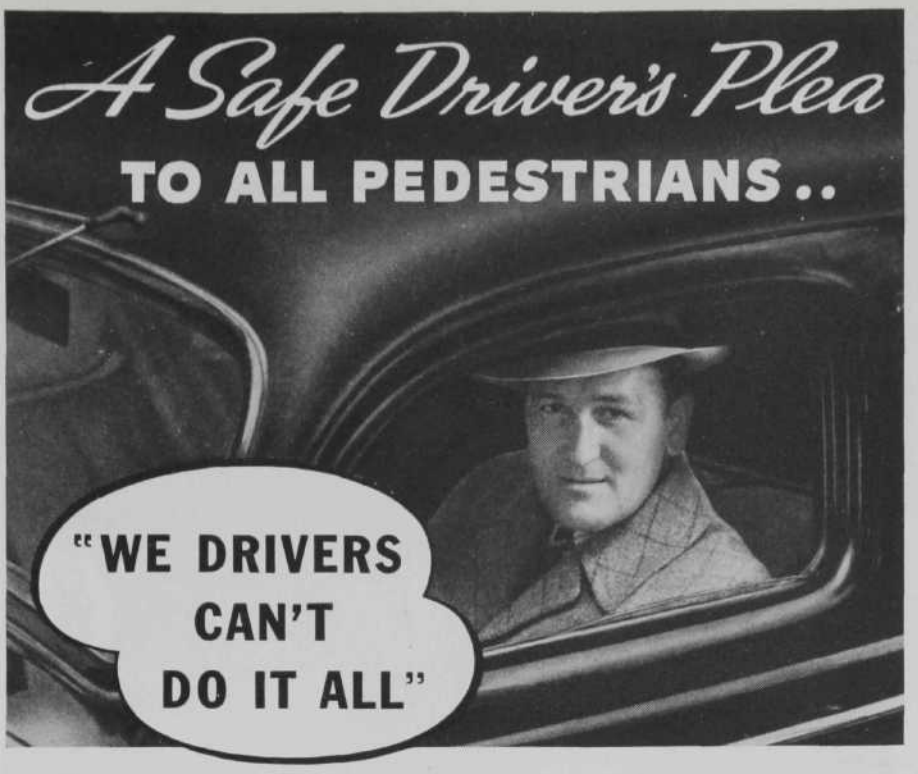
Many changes in the city's business

CHANGES of various sorts have tended to limit the seemingly limitless "empire" Jim Hill used to talk of. Wholesale markets have shrunk with the growth of other wholesale centers. The Panama Canal wrought transportation changes not helpful to the Twin Cities.

Natural resources dwindled: Minnesota was a great timber state, but woodworking industries in Minneapolis today import wood from distant states; and the fabulous mines of the Mesabi and other ranges will not last forever.

Minnesota's population is not growing any too rapidly. Indeed, emigration from the state exceeds immigration into it, and only the excess of

(1Dr. Clarence A. Mills, research physician who has specialized on physiological effects of climate, affirms that the most stimulating climate is one with wide and frequent storm changes in temperature. "Nowhere in civilized countries," he says, "is there an area that is equal in this respect, to the central trough of North America . . . the northwestern plains, from *Iowa up into* the Canadian provinces.")



"Several months ago I joined the 'NOT-OVER-50' CLUB. I know that driving at sane speeds makes me and my family safer . . . that if everyone drove the 'NOT-OVER-50' way, much of the suffering due to automobile accidents would be prevented.

"But I am equally sure that we drivers can't do it all. Last year alone, 15,000 pedestrians were killed. Authorities say that more than half of them were responsible for the accidents that caused their deaths.

"That is why, as one of the 130,000 members of the 'NOT-OVER-50' CLUB, I ask you—when you are walking—to help protect yourself. Obey traffic signals as you expect motorists to. Stay on the sidewalk when cars have the right of way. Be more careful in walking from behind parked cars. When on country highways, walk on the left side facing traffic. After dark, carry a light or wear or carry something white so drivers can see you. Finally, teach your children these simple rules of safety and insist that they observe them.



"If you drive a car, join the 'NOT-OVER-50' CLUB. You will find it a wise way to cut down the danger of an accident to yourself and your family."

This appeal by a "NOT-OVER-50" CLUB member is sponsored by the Lumbermens Mutual Casualty Company. Lumbermens organized the "NOT-OVER-50" CLUB to reduce automobile accidents and to lower automobile insurance costs. Membership is FREE. Just mail coupon below for free membership card and red arrow insignia. You do not have to insure in Lumbermens to join. But you may be interested to know that over 250,000 selected safe drivers are enjoying substantial dividend savings (because Lumbermens insures only good risks), superior security (because Lumbermens is strong and efficiently managed), and coast to coast service (because Lumbermens is a big company that overlooks nothing in serving its clients). To learn how you can *save with safety* in Lumbermens, check the square in the coupon.

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Address.....

City.....*State*.....

I wish I could say this to his face



"If I didn't think the boss would get the idea I was trying to run his business, I'd like to tell him a thing or two. He's the hardest-working man I know—but a good bit of it is just plain unnecessary. He's always taking a crack at Nichols. Says Nichols is out of the office two-thirds of the time. But I know about Nichols—

"I know his secretary, and I know how Nichols works. He's a great guy for cleaning up details the minute they arise. Keeps an Ediphone at his side—right next to the telephone—and uses it even more. Simply tells the Ediphone when he wants to be reminded of something. Or, he finishes a phone call and turns to his Ediphone. He gets problems off his mind as soon as they come up.

"I tell you I'm in favor of this Voice Writing idea. Edison was a smart man to think of it. It gives a girl a chance to get things done—lets her be a man's assistant instead of a waiter-arounder. Half the things he says I haven't time to do for him, I *could* do, if he'd just modern up a bit and phone the Ediphone man. It wouldn't hurt him to *hear* the story anyway. If he and I could get out of the dark ages, he'd have more time to do the really important things—he might get a raise—and I might, too."

* * *

An Ediphone permits you to handle instructions, memos, inquiries, letters, reminder-dates instantly .. increases your personal business capacity 20% to 50%. Use it for every activity where "your voice points the way". Investigate! Telephone the Ediphone, your city, or write Dept. N87, Thomas A. Edison, Inc., West Orange, N. J.



VOICE-WRITE WITH THE

Ediphone

PREFERENCE FOR EDIPHONE PERSISTS

births over deaths increases total population. More than half of the state's 87 counties actually declined in population between 1920 and 1930.

Drought hit farming a terrible wallop in the Great Plains. In some ways Minnesota is not as great agriculturally as is often thought. Ohio, for example, ordinarily produces more wheat in total and per acre.

The total number of new manufacturing concerns starting in Minneapolis since January 1, 1930, was 236, compared with 451 which for one reason or another discontinued in the same period.

The relief load has steadily increased, from $2,239,712 in 1932, to an estimated $13,560,000 in 1937; and about 8,000 more persons were on direct and WPA relief on June 30, 1937, than in 1932.

Good employment, much relief

ON THE other hand, in a questionnaire on which only partial results had been received in early September, 253 concerns reported an improved employment situation: as against 31,500 employees in 1929, these concerns had 38,193 in 1937. In short, relief here as in many cities, has become a racket; and the present city administration seems prepared to treat it so.

One significant change has been in flour milling. Thanks to the early development in Minneapolis of a new process for purifying middlings, plus the early adoption of roller mills, plus the peculiarly desirable hard wheat of the spring wheat area, plus the energy of such men as Cadwallader C. Washburn and the Pillsburys, the city as early as 1882 had become the leading flour-manufacturing center of the country.

In 1887, when Decker and Jaffray were starting, it boasted 25 flour mills with an estimated daily capacity of 38,000 barrels of flour. In 1905, production of flour and grist mill products was reckoned as 51 per cent by value of all factory products made in the city.

The city's relative importance in flour-milling declined after 1920, largely because of changes in railroad rates unfavorable to the industry there. It is still in the front rank of milling centers and will probably stay there; but milling will never again be the city's completely dominant industry.

Against debits, Minneapolitans count many credits. They tell of new vast industries that chemistry may yet help them to. They believe, for example, that their cutover lands may produce quantities of alpha-cellulose. They tell of amazing possibilities chemically in peat, of which the state

has huge beds. Their common labor, they say, though wild-eyed at times, cannot be beaten for character, brains, energy.

They count it a credit, too, that today there is a great preponderance industrially of small concerns employing comparatively few people. Under date of April 1, this year, the Civic and Commerce Association compiled a directory of Minneapolis manufacturers, classifying them in groups by number of employees, with the following results:

Number employed	*No. of concerns*	*per cent of total*
Less than 25	685	59.7
25 to 50	163	14.2
50 to 100	94	8.2
100 to 250	77	6.7
250 to 500	23	2.1
Over 500	15	1.3
Unknown	89	7.8
Total	1146	100.0

These many small industries, extremely diversified, seem to many Minneapolitans a factor of safety. Unemployment does not seem to have reached the extreme here during the depression that it did in the one-industry cities.

And from these many small industries, it is felt, despite high mortality, will come a few big ones. Said Decker:

Men make the town

A CITY'S location with reference to raw materials, markets, advantageous transportation rates, is certainly important. But business progress isn't always accomplished by being strictly logical and statistical about these things. There are other factors. A city's most important asset by far, is men who will bet money on themselves and whose friends will bet money on them.

There is a man in Minneapolis who manufactures farm lighting plants. No "logical" reason for his making them here. Yet he ships them all over the world. Another man makes well screens.

Minneapolis, city of destiny, has tempered boundless optimism with realization of certain hard economic facts.

That's good sense in leadership. At the same time, the city which in 1890 had a population of 164,738, in 1937 is crowding, if it has not passed, the half-million mark. . . .

In concluding this story of a city and a section, and of two men who have exercised outstanding leadership in it, I find in my notes scraps of things they said, stories told, ideas suggested, that seem to have meaning for these times. A few of them follow. Jaffray said:

I have noticed that certain government policies seem to have a tendency to lessen the enthusiasm with which young men of means nowadays undertake new projects. It used to be that we would call a meeting and money would pour in.



Sacred to the memory of a man who looked ahead...

★ *This girl's father died at 40. At 35 he took stock—found that though his earnings had averaged over $3,500 a year for fifteen years—a total of $55,000—still he was not saving fast enough to make his family financially secure. So he found a way to guarantee a security that is now a living memorial to his foresight.*

Look ahead through the years—at your family facing life confidently—and finally your own years of comfortable retirement. It's a heart-warming picture—and you're in it, of course.

But what if Fate should decree otherwise? What will that picture be then?

It is within your power to provide today the kind of tomorrow you want your family to have—through the Northwestern Mutual Family Income Plan.

Briefly, this excellent plan is a more effective *method* of saving. Should death stop your earnings, the Northwestern Mutual will pay your wife $100 a month or more while the children are growing up, finance their education and start in life, then pay a continued regular income for her later years. And if you live, those savings are yours to enjoy with her—a solid guarantee of peaceful old age.

Back of this plan is the Northwestern Mutual, a strong 80-year-old company with assets exceeding a billion dollars, distinguished by an enviable record for low cost insurance, a financial bulwark to four generations of Americans who looked ahead, saw what they wanted, and achieved it.

What nobler memorial can you build than to look ahead, and to create *now* a secure tomorrow for yourself and your own!

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Such never-ending vigilance — present in every operation of the railroad — has produced Precision Transportation, a freight service known throughout the country as efficient, fast, economical, and thoroughly dependable. Four merchandise trains, "The Skipper," "The Pilot," "The Nomad" and "The Caravan" are constantly plying back and forth, connecting the Midwest with the Virginias and Carolinas. When you have freight to be moved — specify these trains.

NORFOLK AND WESTERN Railway
PRECISION TRANSPORTATION

Today, young men with money are not so eager. It seems there is less incentive for them to be.

If they lose, the money is gone—and they can deduct just a little on their taxes. If they make, the Government takes a whopping slice. It makes for slower progress.

Said Decker:

I am satisfied that soon or late we shall have to come to branch banking in the United States.

We have, or did have, some 30,000 banks in the country—and only about 300 real bankers. No other country, to my knowledge, tolerates a system like ours. The bank stock corporations helped, but are not enough.

Labor, both men declared, should assume social responsibility; unions must look beyond immediate dimes; a public-be-damned attitude on their part will be disastrous to them in the long run.

Charges are too high

SAID Jaffray:

It is significant that on the Soo Line, in 1913, we paid fixed charges and seven per cent on the stock. Today we cannot pay fixed charges. Analysis shows operating expenses in 1913 were 56 per cent, while in 1936 they were 85 per cent, and most of the added expense has gone to labor and materials.

Engineers, for example, are only allowed to run 3,200 miles a month, an average of about 100 miles a day. For this they receive between $250 and $300 a month. Train speeds have increased, and some engineers can make their day's run of 120 to 140 miles in three or four hours.

An artificial barrier to improved railroad earnings is thus imposed which, in the long run, is bound to work harm to labor. Both management and labor should be socially responsible.

Is the present tendency to make it "easy" for people to live, unqualifiedly good?

Said Decker:

Once I heard a minister say that you do not build a wall around a willow tree to prevent its being blown over by the wind.

If you let it grow up facing every storm, its strength increases; and when the winds do come, it does not break.

Given good men, I have no fear for good business. In the panic year 1907, I was president of the Clearing House for the first time. I suppose I was jittery. My old boss, S. A. Harris, called on me and said: "I always remember one thing, which I have learned in my banking experience through all the panics in this country from 1873 on: if values are real, they will always come back."

Good men avoid too much credit. In 1893 I called on Mr. Forgan in Chicago, where he had gone the year before as vice president of the First National Bank.

"Who," I asked him, "is the richest man in Chicago?"

"Undoubtedly, Marshall Field."

"Who comes next?"

"Potter Palmer, I think."

"What about Philip D. Armour?"

"Armour is undoubtedly a very wealthy man," he said, "but he owes a great deal of money, and he owes it all the time. Neither Field nor Palmer owes a cent to any one. As a banker, I do not like to figure wealth in equities all the time."

Apropos of both private and public spending, Decker said:

I never forgot the remark of a famous elderly Minneapolis business man, William H. Dunwoody. "Ed," he said, "there's no pocket so deep that it can't be emptied if you keep taking out of it all the time."

Minneapolis is still a city of destiny.

What destiny? As with all cities the answer is hidden. It might not be, if we knew that the business leaders for the *next* 50 years were to be of the caliber and character of Jaffray and Decker.

Shake Hands With Our Contributors

THE editorial staff takes what we hope is a pardonable pride in our October number which was, we have been told, the best effort we have put forth recently. Under the inspiration of this infrequent praise we have attempted to make this, the November issue, a fit companion for its predecessor.

We believe we have succeeded both in the selection of subjects and in the choice of writers to present them.

New and old contributors

ALTHOUGH some of this month's contributors have written for us before and become old friends of our readers, several are appearing for the first time in this magazine.

Among those already known to our readers are Neil M. Clark who gives us this month "The Lengthening Shadow of Two Lives."

Readers will recognize him, not only as a regular contributor to many publications but as the author of "These Tremendous Years," a business history of the past quarter century which was printed as a supplement to our May number and later republished in book form.

Another whom many readers will recognize is Albert Atwood. Although this is his first appearance in NATION'S BUSINESS, he is well known as a staff member and contributor to many publications including *McClure's*, the *Review of Reviews* and the *Saturday Evening Post*. Between whiles he has found time to lecture

on finance and economics and to write a number of books.

Dr. Alexander Klemin is professor of Aeronautical Engineering, David Guggenheim School of Aeronautics and H. J. Kenner is president and general manager, the Better Business Bureau of New York City. Although neither has previously appeared in our columns, many of our readers will know them as authorities in their special fields.

Howard Bruce is a banker, financier and philanthropist of Baltimore, where he also serves as president of the Community Placement Bureau which he describes in this issue.

Albert A. Richards turns to writing when he has the inclination and time from his duties as Chamber of Commerce secretary in a Virginia city.

George Morris has spent most of his working life in the newspaper field, in recent years as an editor and publisher. At present he is in Washington as an observer and commentator.

William Feather, Whiting Williams and Herbert Corey, of course, need no introduction while the business and some of the history of several other contributors is explained in their articles.

Coming in December

NEXT month's line-up seems at least equally interesting. Among those who will be represented are Carlisle Bargeron, widely known Washington correspondent, who will make you acquainted with Senators Minton and Schwellenbach who, since the resignation of Justice Black, will take over leadership of the Senate Lobby Committee and whose abilities, energies and personalities are expected to dominate the proceedings of that body.

With Mr. Bargeron will appear J. Harry LaBrum, Philadelphia attorney, former vice president of the American Bar Association and active member of several committees not only of that association but in his home state as well.

He will explain the need and the method by which business men may meet the growing problem of stemming the tide of laws which are urged to restrict trade.

George H. Barrows, a newcomer among NATION'S BUSINESS writers, will contribute "I Joined the Union to See the Sea," an interview with a college boxer and football player who spent a vacation in the U. S. merchant marine, a tale which provides action as well as a first-hand view of the difficulties encountered both by labor and management when rival unions start fighting among themselves.

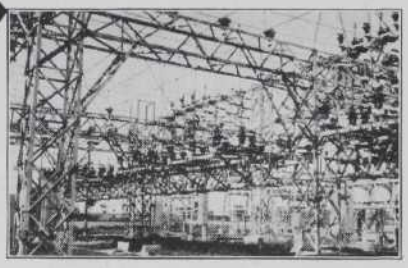
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Mississippi labor is friendly, intelligent and 99.6 per cent native born. Industries find in Mississippi the type of employees that fair employers need and want.

Mississippi cities and towns offer friendly cooperation and assistance to sound industries seeking new locations. New legislation has been designed and enacted to assist, in a cooperative, helpful way, the balancing of agriculture with industry.



FRIENDLY, HAPPY EMPLOYEES

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for this illustrated booklet—it contains new and interesting information about "Mississippi — A Land of Industrial Opportunity."



MISSISSIPPI INDUSTRIAL COMMISSION
A DEPARTMENT OF THE STATE OF MISSISSIPPI
JACKSON, MISSISSIPPI

MISSISSIPPI A GREAT AGRICULTURAL STATE — GOING TO TOWN INDUSTRIALLY

Leg Irons on Business

IF THE surtax on undistributed corporate profits is to be retained, the next Congress should give attention to alleviating the outstanding hardships and inequities which have been shown to exist, said President George H. Davis of the Chamber of Commerce of the United States, in releasing the Chamber's recent survey of representative corporations affected by the surtax. He added:

The surtax in actual operation is one of the most important factors now retarding an increase in employment because it restricts normal business development at the same time it produces great unevenness in taxation.

Specific business handicaps arising out of the application of the surtax are outlined in the survey. A few of the examples are:

A CREAMERY company states that, instead of spending $26,000 on capital outlays for business expansion in 1937 as was planned, the amount has been reduced to $16,000. The tax on undistributed earnings is definitely stated to be the factor which decided the company against the additional $10,000 capital expenditure.

AN OIL company decided against the construction of two large gasoline plants, which would have cost more than $1,000,000, because of the penalty aspects of the surtax. About 700 men would have been employed in building these plants, and 100 would have been added to the company's permanent pay roll.

The company also doubts whether, in view of the surtax, it will be feasible to build up a sufficient reserve in case of depression.

A NEWLY organized industrial company in Wisconsin took over the assets and liabilities of the previous company which had become financially embarrassed. New arrangement provides that the liabilities of the predecessor company must be paid out of net income. The company's ability to pay dividends is thus definitely restricted.

Under the reorganization contract, all creditors are to be paid off in full and the only way to do this is either to reduce working capital or earn sufficient profits. Increased business has necessitated an increase in working capital and "to pay off the debts out of earnings is such an expensive process, because of the income and undistributed profits taxes, that it may result in bankruptcy or receivership for this corporation."

In order to pay off the indebtedness "we will have to pay federal tax rates of 20 per cent or more on the money put aside for this purpose" and "the same applies on any increased amount of working capital which we may need. If we are to continue in business we will have to pay as low wages and salaries as possible and cancel or write down old debts drastically. Instead of increasing employment and wages, the present tax retards employment and high wages."

A MASSACHUSETTS manufacturer of packages wrote: "The tax requires us to seek the most expert advice possible in the preparation of our income tax returns and generally increases our cost of doing business. It creates from time to time a shortage of cash for the payment of current bills and practically causes a complete abandonment of all plans for expansion or improvements. This necessarily means that we shall be unable to increase employment for we shall not be able to grow as long as this method of taxation exists."

ANOTHER manufacturing company states that it "came within an ace of going out of business in 1932. If it had not been for an adequate surplus, it could not have continued in business in 1933." But, since then, sales have increased and the number of employees has increased from 300 to 800 with a wage scale considerably exceeding that of 1929. To carry on this increased business, additional working capital was necessary and the company borrowed $250,000 from the banks. The only way it can continue to progress is to increase further both its working capital and its sales.

The penalty surtax, however, will make it advisable to distribute all its earnings instead of following its previous practice of putting in a reasonable portion of each year's profits into additional working capital.

The losses during depression years practically exhausted the company's surplus and, notwithstanding reasonable profits for the past couple of years, the surplus "is still inadequate and will not at present carry us through two years of severe losses as it did during 1931 and 1932."

A WISCONSIN paper manufacturer reports that his company distributed 57 per cent of its earnings, but had it not been for the surtax it probably would have distributed but 44 per cent. The distribution compelled the company to borrow approximately 40 per cent of the amount paid out as sufficient cash was not available from the earnings.

Because of reserves accumulated previously, this company spent, during the depression, "millions of dollars on replacement and expansion of manufacturing facilities, providing employment for hundreds of persons who would otherwise have been forced on relief rolls."

The company also reported difficulty in attempting to determine earnings and distribute dividends before the close of the taxable year.

In summarizing, the corporation states that: "The imposition of this tax is inconsistent with sound business policies in that: it puts a penalty on conservative management; it penalizes rehabilitation of plant facilities; it reduces the margin of safety to the investor in either bonds or equities; it retards the growth of present business and increases the cost of developing new products; it materially retards the growth of new industries which, because of their youth, must finance themselves through the re-investment of their profits; it does not apply with equality to competitive companies; it cannot be reasonably estimated during the year; it is complicated in its administration whereas it was assumed to simplify procedure; it results in conflicts with the requirements . . . of the various states relative to sale of securities and the payment of dividends when the capital structure is impaired."



"Mr. Banta is in conference."



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This electric machine method ideally meets today's need for accurate, up-to-the-minute facts. Punched cards and International Electric Bookkeeping and Accounting Machines provide detailed information concerning sales and cost of sales. The machines will interpret and analyze your business data and will furnish the definite knowledge you require. They will tell you what's going on in all branches at all times.

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This method will also provide detailed records concerning inventory, budgetary control, payroll and numerous other accounting procedures. Stop in at your nearest International office, or write for full information today.

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• Cut down time losses in your business with Stromberg's new Uni-Speed Time Clock. It has the unique feature of easy one-hand operation—no time lost waiting in line to get on the job. The Uni-Speed is 32% *faster!* Its advantages are of benefit to both employee and employer.

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SALES AND SERVICE OFFICES IN ALL PRINCIPAL CITIES
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*By*_____
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Birth of a Chain Store System

(Continued from page 64)

similar things, we buy from 'California Pack.' Under that system, several merchants place their orders together. When they have enough orders from any community to make up a carload, they let it come to that community, thus giving us all the advantage of the through carload rate on goods which we do not buy individually in carloads. That is a great saving. All in all, we find ourselves right now able to meet chain prices and come out all right.

"The small independent grocer, in my opinion, is gone, but I am afraid the average independent wholesaler does not yet fully see this situation. In fact, I had a $3,500 interest in a small wholesale house myself. I wanted to keep patronizing it, naturally. But when I began to expand and to offer this concern real volume, I couldn't get a volume price. The manager informed me flatly that he could not give me one cent of advantage no matter how much I bought. So I soon found, in spite of myself, that I was drifting away from the wholesale house in which I actually had a financial interest.

"But buying power is not everything. With all the buying power right in your lap, you cannot succeed unless you know how to sell the goods. That is why we have spruced up; that is why we redecorate the windows frequently; that is why we display our goods neatly on the shelves on the serve-yourself plan. That is why we advertise specials constantly in the newspapers and by direct mail."

All the stores in the Lang group are in towns within 40 miles of the home office. Shipments come either to Beatrice or to one of the other towns, wherever the best freight advantage lies. Then they are trucked to the other stores.

This whole region suffered in the depression. Crops failed or partially failed for several years. Last year the failure was almost total. In fact hardly a bushel of corn was harvested in the whole region. Yet, with the area now feeling the pinch of last year's crop failure most acutely, the Lang stores are running 25½ per cent ahead of the 1936 volume.

Figures on the volume of business for the five months ending May 31 show:

1936	$118,662
1937	$148,882

Mr. Lang has enough outside interests to keep the grocery business from growing monotonous. He is president of the Home Savings & Loan Association of Beatrice, and manages to spend some of his time directing its affairs. He had controlling interest in three or four state banks in various surrounding towns. When the depression got well under way, he saw what was ahead of the small banks.

He quietly liquidated them, calling in the loans and paying out the depositors 100 cents on the dollar before the general crash of banks.

Mr. Lang believes in his community, in Nebraska, and in the West as a whole.

"This country is coming back strong," he said recently. "Our crop prospects are wonderful. This land is going to increase in value. I have never paid much attention to land. I have been too busy with the grocery business. But now I am buying land. I have bought a half section near here, and while I never cared to own land, I plan to buy more before the big rise in land values comes, and it is surely on the way."

Miller-Tydings Act and Living Costs

(Continued from page 22)

sort of independence has already been experienced in California. There the retailers boycotted these products and finally forced the manufacturers to fall in line.

Other factors will be equally important in keeping prices at the right level. One of these is the private brand, which large retailers and chain organizations will push if prices of better known trade-marked commodities begin to freeze. One large New York store has already announced that its house brands will be offered for sale in all parts of the country at prices considerably below those of competitive products. Large chains have, over a period of years, made their private brands known to millions of consumers. With their reputation already well established, there will be little difficulty in pushing these products.

The final force which offers protection to the consumer against excessively high prices is the federal Government's power to enforce those portions of the antitrust laws which still prohibit horizontal price-fixing. The Federal Trade Commission and the Department of Justice may adopt a new policy of vigilance, especially

in view of the President's expressed concern as to the possible ill-effects of the Miller-Tydings Act. Attorney General Cummings has asked the President to appoint a commission to revamp the antitrust laws to make enforcement more satisfactory.

So we find that, even if the merchant is tempted to push prices too high, many forces will operate to keep him from doing it.

Cost of living is higher

THE American Federation of Labor announced in September, however, that the cost of living had already increased so much beyond the purchasing power of the workman that higher wages would be demanded in late fall or winter. The Federation quoted the National Industrial Conference Board to the effect that living costs in July were 4.3 per cent higher than in 1936, and added that "any worker whose pay envelope this fall does not bring him five per cent more than last fall will be forced to a lower standard of living."

Fair-minded business men must concede that there is merit to the argument that an excessive increase in margin of profit, at a time when prices are rising due to other factors, is perilous.

They must admit that, while it is a boon to have the backing of law to prevent cut-throat price-cutting, and to have legal sanction for maintaining fair prices, a great responsibility necessarily accompanies these blessings. If business men are to retain these benefits, they must recognize that moderation is of the essence of the situation.

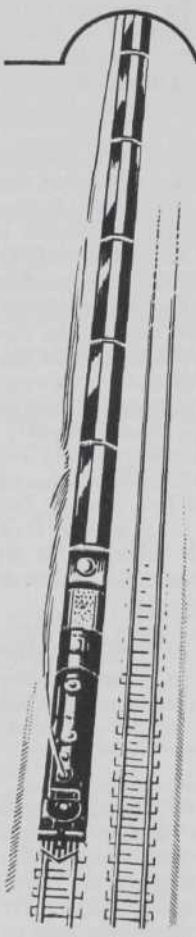
One thing is certain. Assurance of fair profits will mean greater advertising appropriations and, as competitive products tend to reach a price parity, the need for brand advertising will be more important than ever before since the price factor will become increasingly negligible. It will be quality *vs.* quality, and he who advertises best will sell most.

In view of the several offsetting influences involved, and the fact that most American business men sincerely desire to render a service as well as take profits, there is every prospect that the Miller-Tydings Act will not turn out to be the demon its opponents have painted it.

And, so far as the consumer is concerned, he will have the assurance that the price he pays for a branded commodity is the same price that every one else pays. He can be sure he is getting the genuine product at a fair price. Whether it is truly a fair price depends entirely upon the attitude which business takes toward its new freedom.



Best Sellers Ride East via Erie



• Succulent vegetables, fresh meats, creamy dairy products, juicy ripe fruits... tons of perishable foods speed east over the Erie in refrigerator cars.

Green lights send the trains roaring down the main line. It's "clear-block" all the way, and every man on his toes, when perishable shipments leave western terminals.

Fast freight handling methods and modern refrigerating equipment combine with speed to set a better table for eastern housewives, to set a higher profit for shippers, wholesalers and retailers.

That's why the Erie is such a vital factor in the movement of all perishables to eastern markets.

But whatever you ship, Erie will give you the same dependable service, bring you closer to your market, cut your shipping costs. Call an Erie agent and let him show you how.

Travel the Scenic Erie
... between New York, Binghamton
Elmira, Buffalo, Chautauqua Lake,
Youngstown, Cleveland, Akron, Chicago
AIR-CONDITIONED TRAINS
EXCELLENT MEALS • FINEST
SERVICE • LOWEST FARES

ERIE RAILROAD SYSTEM
THE HEAVY DUTY RAILROAD

The Factor speaks:



The business man of today who fancies that his problems are new, would do well to read the records of 15th and 16th century merchants. For example, a correspondent of the great commercial house of Fugger, writing to the home office at Augsburg in 1580, complains: "All commerce diminishes. This country is no longer as it was formerly." And in 1570 the correspondent at Antwerp wrote, speaking of several failures, through which he had sustained heavy loss: "It will probably not end with these two, but they will drag the others down with them . . . Perhaps the gallows will be their summer dwelling." ¶ The modern factor interposes a cushion of ready cash and of credit validation between the merchant or manufacturer and the various hazards and uncertainties that have beset business men in all countries and times.

"THE FACTOR" *on request*

James Talcott, Inc.

225 Fourth Ave. 1854 — 1937 New York City

¶ The cost of advertising in NATION'S BUSINESS is surprisingly low!

New idea puts PUNCH IN LETTERHEADS!



Many tests by a leading Direct Mail House prove that genuine engraved letterheads in most cases more than pay their way in bigger returns. The reason?—Colorful engraving in modern design has the *Punch* that compels *Action*.

SPECIAL OFFER—Send only $1 (to show interest) and your letterhead. We'll submit a new hand drawn design for your firm and mighty low quotes! No obligation. Clip this "ad" now!

Whitehall · INC 2-20 BOULEVARD New Haven, Conn.

MEMO . . . for Busy Readers

1• How workers are trained 2• An industrial family has many members 3• Automobilists spent 4¼ billion dollars 4• Theaters run lotteries? 5• Trailerites face higher taxes 6• Where street dirt comes from 7• Women barred from bars 8• Family income rises

Training for Tomorrow's Jobs

FOUR out of every five companies have some form of training for industrial work to meet present and future needs for skilled workers. So concludes the National Industrial Conference Board after looking into 473 companies in various industries throughout the country, as reported in "Training for Industry."

Training on the job is the method generally used. Only 8.5 per cent of the companies surveyed are maintaining "vestibule" schools, which represent a type of training in the plant under special instructors and the assignment of separate machines for that purpose. Systematic apprentice-training is reported by 272 companies, chiefly in the metal working industries.

The time required for training ranges from one week to more than five years. Apprentice-training courses usually require four years. Compensation of trainees is at least 50 per cent of the regular rate in more than 90 per cent of the companies, and amounts to 80 per cent of the regular rate in about 32 per cent of the companies.

Training is given to adults and regular employees as well as to youths and beginners, but rarely to persons under 18. Women as well as men are offered training opportunities in several companies.

Bigness of a "Big" Business

HOW many people are directly affected by an organization as national as Westinghouse? asks that company in a quarterly report to stockholders. By way of answer, it says:

Westinghouse is owned by 44,000 stockholders, and employs 53,000 workers. Assuming that these 97,000 people represent average American families—five individuals—we have here a nucleus of 485,000 people.

The Westinghouse family would replace fully the present population of the states of Arizona, New Mexico or Vermont. If it settled in Delaware, enough Westinghouse people would be left over to populate half of Wyoming. If they decided to move into Vermont, enough people would be left over to populate the state of Nevada.

These comparisons deal only, of course, with the immediate Westinghouse family; they take no account of the thousands of jobbers, dealers, suppliers and other groups that rely on Westinghouse for livelihood or for goods to sell; nor do they include the millions of satisfied users of Westinghouse products.

Spending on the Gas Trail

LARGEST items in last year's total expenditures of $4,250,000,000 for motor travel, as revealed by the American Automobile Association in a booklet, "Americans on the Highway," were:

Approximately $850,000,000 for gasoline, oil, repairs and garaging; more than $1,000,000 for camping supplies, souvenirs, knick-knacks and other incidental purchases; $892,500,000 for meals; $340,000,000 on the golf courses, at the theaters and other places of amusement, and $225,000,000 for refreshments along the way.

"Bank Nights" Tried in Court

WHETHER or not "bank nights" or "cash prize nights" are legitimate sugar plums for theaters to dangle before the movie-going public is still a matter of argument in the courts. State court decisions have been about equally divided between condemnation and approval.

The usual complaint brought in suits is that "bank night" constitutes a lottery because there is a prize, a chance to win it, and consideration paid for the chance. It is on the point of "consideration" that the court opinions vary, says the American Municipal Association.

In Michigan, two cases brought by theater owners against rivals operating cash prize nights were decided against the defending theater owners, not on the lottery prohibition, but on the question of whether "consideration" was paid for the chances to win. The court held that the fact that a more or less valuable prize was to be given away was "consideration" enough for attendance at the theater, therefore it was

Santa Fe





The Avocado — from tiny seedling, to harvest time in a mature California grove.

The fine grove in the foreground overlooks sunny, mountain-fenced San Gabriel Valley. Avocados thrive on terraced hillsides.

AVOCADOS

A table joy of the tropics thrives in a cooler clime

"A few *tortillas*, an *avocado* and a cup of coffee — that is a good meal," say the Indians of Guatemala • Natives of tropical America have eaten avocados since time immemorial. Everyday experience taught them what dawned more slowly on civilization's gourmets and dieticians — that here was a Prince among fruits, delicious to the taste, amazingly rich in nutritional values • The avocado, probably indigenous to Mexico, spread naturally southward through Central America to the west coast of Peru. The Aztecs called it *ahuacatl;* the Incas, *palta.* Early Spanish explorers met it everywhere; liked it, studied it, wrote about it. Cuttings found their way to Algeria, Spain, Cuba, Italy, Florida, Australia, the Philippines and Hawaii • But it remained for California to adapt this sensitive tropical tree to a cooler climate, there develop its utmost possibilities, and make its superb fruit increasingly available to American tables • California's avocado industry is young, sturdy, growing steadily. Tireless care and research background its 14,000 acres of groves. These hold the world's finest varieties, contributed approximately 75% of America's 16,000,000 pound production in 1936-1937 • The avocado tree, with few exceptions, is an evergreen. Tiny, lace-like blooms and ripened fruit often mingle together. The fruit differs in color, size and shape according to variety; should fully mature on the tree, and may require 7 to 14 months to do so • Three-fourths of all California avocados are marketed as "Calavos," under the rigid inspection and grading of the Calavo Growers of California • Calavo avocados are laboratory-tested before harvest; stem-clipped; gently cleaned by soft brushes; handled with gloves during grading and packing; precooled to 42° before refrigerated shipment • *Santa Fe's SFRD moved 94% of all Calavo avocados shipped by rail in 1936-1937.*



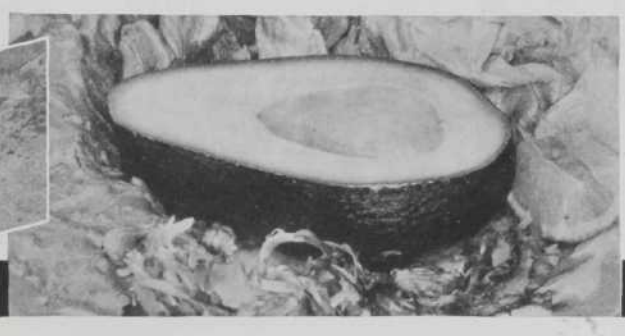
A grading and packing table, in a spotless "Calavo" packing house.



A pretty Miss displays several choice varieties of the product of Avocado-land.

• The avocado ranks among the tropics' choicest contributions to the modern menu • The meat, smooth as butter within the dark rind, ranges from cream to bright yellow. It is rich in vitamins and minerals; remarkable for its high and readily digestible fat content; of particular benefit to children • The bland, nut-like flavor blends perfectly with the flavors of other fruits, vegetables, cheese, seafood, meats and fowl • Long supreme as a salad ingredient, the avocado is now eaten at every meal and between meals, by itself or in endless delightful combinations.





Chef and housewife constantly discover new and delightful uses for the Avocado, transplanted gift of the tropics.

Proof.. AUTOMATIC CONTROL Saves Fuel Dollars

Only Minneapolis-Honeywell can give you a choice between Electric, Pneumatic, or a combination of Electric and Pneumatic Control.



FUEL consumption records before and after the installation of a Minneapolis-Honeywell Modutrol System offer conclusive proof of the fact that automatic control saves fuel dollars. Savings of 30% or more have been effected — often enough to pay the cost of a Modutrol installation, within one heating season.

Minneapolis-Honeywell is the only control manufacturer in a position to recommend either an electric system, a pneumatic system, or an electric-pneumatic system, a combination of both.

The Modutrol Engineer will analyze your problem and make impartial recommendations as to the type of system best suited for your needs. He will not try to sell you any one definite type of system because that one system is all he has to offer. He is in a position to weigh your problem and recommend accordingly. And he can show you definite proof that M-H Automatic Control saves fuel dollars. Minneapolis-Honeywell Regulator Company, 2923 Fourth Ave. South, Minneapolis, Minnesota.

ELECTRIC PNEUMATIC AUTOMATIC CONTROLS MH ELECTRIC+PNEUMATIC

MINNEAPOLIS HONEYWELL

Modutrol Systems

FOR THE CONTROL OF LARGE SPACE HEATING

an advantage unfair to the competitor.

In a Medford, Mass., case, the plan was held to be a lottery violating a state law although all in attendance at the theater and others who wished could register their names in the weekly cash drawing. The court said the game did not cease to be a lottery simply because some players did not pay for their chances, so long as others (those who paid for seeing the movie) continued to pay.

In three other cases involving theaters in Iowa, New Hampshire and New York, the courts held that bank night was not a lottery. They were convinced that the scheme was operated by permitting persons outside the theater, not purchasing tickets, to participate without paying; therefore there was no "consideration."

Taxes Easy on Trailers

TRAILER inhabitants—residents and vacationists—are enjoying their best days, with respect to freedom from taxation for community services, according to a survey by the American Municipal Association. Except in a few cities, municipal authorities have made almost no attempt to tax trailerites to help pay for fire and police protection and other services.

Two cities that have undertaken to tax the trailer citizen are Peoria Heights, Ill., population 3,000, and Virginia Beach, Va., population 2,000. The Illinois town collects a direct, annual tax of $50 from every trailer. Virginia Beach restricts all trailer location to authorized camps and demands from camp operators a license fee of $100 for the first five units or fewer; $25 for every additional five units or fewer. Both cities emphasize in their ordinances the obligation of the trailerite to contribute to the cost of community services.

Of 53 cities queried in the survey, 29 collect no tax. Taxes in the other 24, except in Peoria Heights, are levied on the trailer camp operator through an annual license fee. For an average camp of 30 units, it ranges from $4.80 in Phoenix, Ariz., to $225 in Virginia Beach. Eleven cities collect $15 or less, ten collect from $16 to $50. Pasadena, Calif., collects $165. Annual revenue from 30 units under the Peoria Heights plan would be $1,500. The tax for local services levied as a camp license fee does not reach the majority of the trailer population, since only 17 cities restrict location to authorized camps.

Dirt Tells a Story

AT LEAST half of the dirt and foreign matter on pavements or sidewalk surfaces and on the parked strips is classified in a survey by the American Public Works Association as "man-created waste." This term includes refuse discarded by pedestrians and from vehicles; sweepings from sidewalks and buildings; droppings from overloaded or defective truck bodies, and debris from construction operations.

The other half is "natural dirt"—that is, dust blown through the air; sand and clay tracked by vehicles and pedes-

trians and carried onto streets by rains; particles from the wear of pavement, vehicles and tires, and leaves and branches from trees and shrubbery.

The civic advantages of good city housekeeping are pointed out in the titled report, "The Street Cleaning Problem." It shows that "spotlessly clean streets, neat lawns and gardens, and orderly alleys attract new residents, more visitors and new business." Some European cities, and such diverse American cities as Holland, Mich., and Washington, D. C. are cited as approaching ideal conditions of cleanliness and neatness, as well as some of the higher class residential suburbs.

Legality of Barmaids

SEVERAL states this year have passed laws relating to barmaids, an innovation since repeal of prohibition. California, for instance, prohibits girl or women bartenders with reservations if the woman in question is the wife of the proprietor, according to the Council of State Governments. Rhode Island, on the other hand, bans women bartenders entirely.

Louisiana's Supreme Court recently held that the city ordinance of De Ridder, making it unlawful for a barroom proprietor to employ or permit a woman or girl to work in the barroom was "not arbitrary or unreasonable." The law also bans musical instruments in the barroom.

Said Chief Justice O'Neill:

> Members of the city council with their knowledge of local conditions and in in their mature wisdom have seen fit to leave off only the women and song from the combination, wine, women and song. . . . That ought to end the matter so far as the courts are concerned.

Family Income Going Up

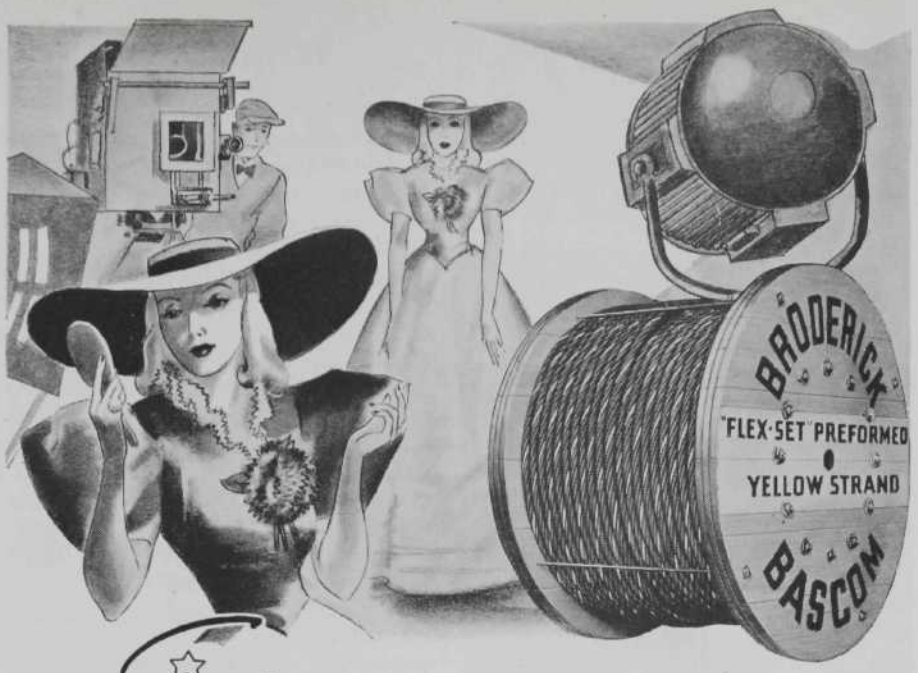
FOUR out of five middle-class families included in a questionnaire investigation by the Northwestern National Life Insurance Company among 25,000 policyholder families in 43 states increased their annual income an average of $437 since the depression. Average income of these families is $2,401 annually compared with $1,964 at the bottom of the depression, an increase of 22 per cent.

Twenty-one per cent of the heads of the reporting families said they had had no increase in their earnings as times improved.

Homes are owned by 41 per cent of the families, averaging $5,181 each in value; 57 per cent are mortgaged for an average amount of $2,610, or approximately half their value. Of the tenant families, 73 per cent hoped to own a home.

Automobiles are owned by 77 per cent. Of this group, 65 per cent bought their cars new and 35 per cent purchased used cars; 16 per cent intend to buy new cars within the next 12 months.

Life insurance averaged $7,406 per family. Savings are being put aside by 59 per cent of the families; 38 per cent keep a budget of income and outgo. Average age of the heads of families reporting is 35; their families average two children each.



Star or "Stand In"

WHICH WILL YOU USE?

Every movie star has a "stand in" -- someone closely resembling the star in face, figure, coloring, to do the tedious posing while cameras, lights, microphones are being adjusted.

Often the "stand in" appears to have everything; but lacking is that intangible something which makes a star.

Any wire rope could "stand in" for "Flex-Set" Preformed Yellow Strand; but the difference would quickly show up in the performance.

"Flex-Set" Preformed Yellow Strand embodies all the experience obtained during 61 years making nothing but wire rope. The wire is specially drawn to our own exacting specifications. But only after the most rigid tests in our laboratory is any wire deemed worthy of a place in such high quality rope.

Even that isn't all. The wires and strands are shaped to a permanently helical form before going into the rope. All this produces in "Flex-Set" Preformed Yellow Strand remarkable properties that make for long life and economy.

In construction, logging, mining, rotary drilling, and in industrial plants, "Flex-Set" Preformed Yellow Strand is saving time and money for those who realize that final cost, not first cost, is the real cost of wire rope. Try it.

BRODERICK & BASCOM ROPE CO., St. Louis

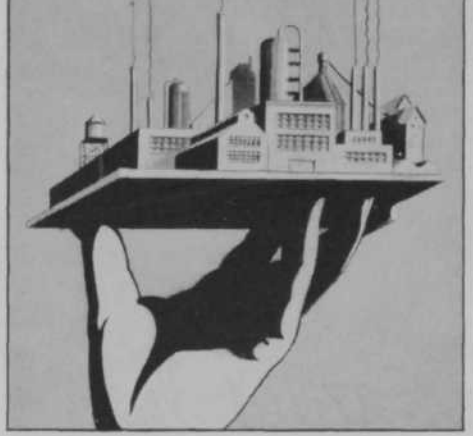
Branches: New York, Chicago, Seattle, Portland, Houston. Factories: St. Louis, Seattle, Peoria.

Manufacturers of all grades and constructions of wire rope, preformed and regular, for every purpose

V34

"FLEX-SET" PREFORMED YELLOW STRAND

Industry's BIG EVENT OF 1937



INCREASINGLY, chemistry enters into nearly every industry. Executives who keep abreast of developments will foresee how new processes, materials and equipment may affect their business—in design, production and sales.

At the Exposition of Chemical Industries, recognized since 1915 as one of the most important industrial exhibitions in the country, you will have an opportunity to inspect the products of 300 manufacturers in one spot. You can bring yourself up-to-date on the newest methods, materials and equipment, many of which may be helpful in developing new products, in speeding production, in cutting costs.

Here is an event of utmost importance to the executives and technical men of industries that make and use chemicals. By all means, visit this outstanding industrial exposition—with your associates and operating executives.

16TH EXPOSITION CHEMICAL INDUSTRIES

GRAND CENTRAL PALACE

NEW YORK

DEC. 6 TO 11

7878

What D'You Mean—"Check-Off"?

(Continued from page 40)

union officers first so lazy, careless and inefficient and then so irresponsible and arbitrary, that the entire organization could hardly fail finally to rot and die.

Also why a certain leader in Cleveland is reported, after learning by experience that he could not keep either himself or his members interested in his 100 per cent agreement, to have sacrificed himself and his power for the benefit of his organization by changing it back to a competitive and democratic, open-shop basis!

Altogether, the marvel is that, in spite of all this, the heads of the newer CIO groups are now announcing their plans for the Closed Shop—meaning, of course, both it and the Check-off. (It is said, you know, that Martin of the Auto Workers withdrew his threat of an immediate Closed Shop demand upon General Motors, last spring, because this would have played too directly into the hands of the independent steel men: you remember these were claiming that an agreement was merely the vestibule to a later complete demand.)

Why then does any leader, you may ask, have the courage to propose an agreement so certain to destroy the liberty of his members and, later, the usefulness and life of his organization?

A way to hold members

CHIEFLY, I believe, because of a certain outstanding weakness of these newer CIO-type organizations as compared with the older A. F. of L. variety. You have doubtless observed that, whereas the A. F. of L. usually works to gain members in order to better its chances of winning a strike, CIO strategy regularly calls a strike *in order to gain members*. Thus one big reason why CIO membership has grown so rapidly is because recent industrial and especially recent political conditions have made it easier than ever before to *start* trouble.

Quite apart from the later outcome, the mere starting has been enough to supply that uproar on which CIO depends for enrolling members—always, of course, with the help of threatening every employee that "When we win this scrap, we'll get the Closed Shop and then, unless you join now, you're out!"

Now, such strategy does work like a charm for getting members—if you don't believe it, just put yourself into the shoes of the middle-roader who hasn't the slightest idea whether that threat is hot-air or isn't but knows that, if it isn't, then he's a goner.

But the difficulty is that this particular organizing strategy soon puts the leader into a jam. The union which, to get started, depends upon the inflammatory preaching of the employee's troubles as caused by the employer's "atrocities," finds it difficult to keep those dues coming in unless he has the help of further, continued atrocities.

Continuously new grievances

JUST as rapidly, therefore, as management contrives to iron things out and thus put the former irritations and grievances behind it, so rapidly the (CIO) labor leader finds a new set of troubles *before* him. If he can somehow manage to keep stirring up disputes, disturbances and stoppages, then he can justify further dues from his less responsible hotheads. But, in that case, he runs into the complaints of his more responsible 60-per-centers (union or nonunion) that these troubles cost more in lost wages than the whole new setup is worth.

Put yourself in his place:

Suppose you, as a leader, found yourself between this Scylla of dependence upon trouble for the continuance of dues from some members and this Charybdis of dependence on peace and good pay-checks for the continuance of dues from others. What would you do? It's a cinch, isn't it, that, after much meditation and prayer, you'd do exactly what these leaders are now doing—promise your members that, so far from resting on your laurels, you'd now start fighting for the one remaining advantage that would settle everything by making everybody stay put? What else *could* you do?

As a matter of fact, this same dilemma represents the biggest weakness, not only of CIO but, of more or less all unions. The moment the leader ceases to obtain fresh gains, he stands to lose dues.

To be sure, he can try to sell his members the idea of cooperating with the boss. The difficulty is, however, that he is likely to be advised by too many experienced leaders that, like it or lump it, gains thus obtained are so likely to be credited to the management instead of to the union, that membership begins to sag. This explains why so many employers find it hopeless even to attempt to satisfy the leaders—also why the job of even the most reasonable and intelligent



"Say, Joe—your rope costs are down"
"Yes, sir, we're using Preformed now"

● It's good news when you find an operating cost going down. That's why so many head men are taking a new interest in wire rope.

On many applications Preformed Wire Rope is giving longer service, with fewer shutdowns for replacements or repairs. This, of course, cuts down idle time of men and equipment. Obviously it saves money, too, in wire rope purchases.

Preforming is a process now used by all leading wire rope manufacturers. It gives the rope a relaxation that frequently adds to its longevity under strenuous conditions of service. It is easy to handle, is not disposed to kink, and adapts itself naturally to bends and reverse bends.

It will pay you to ask for an analysis of *your* wire rope requirements. Preformed might drastically cut your costs, too. Your regular wire rope supplier or manufacturer will gladly study your situation.

Ask Your Own Wire Rope Manufacturer

Preformed WIRE ROPE

GIVES GREATER DOLLAR VALUE ON MANY APPLICATIONS

DU PONT PAINTS
for
EVERY PURPOSE
in Home and Industry



RUGGED . . . That one word tells why Du Pont Dulux gleams on so many modern bridges. Dulux is the finish specified by engineers and men in charge of maintenance—because it gives metal greater protection from the ravages of blazing suns . . . sleet . . . snow . . . corrosive salt air . . . fumes . . . smoke . . . mechanical injury.

The extraordinary durability of Dulux means fewer repaintings, lower maintenance costs.

The rich Dulux gloss gives structures of all kinds greater beauty.

Wherever Dulux is used, it gives the same superior appearance and economy that characterize the whole du Pont line of finishes for *every* surface.

DU PONT
REG. U. S. PAT. OFF.

Paints..Varnishes
Enamels..Lacquers
DUCO-DULUX
REG. U. S. PAT. OFF. REG. U. S. PAT. OFF.

of leaders has always struck me as one of the hardest ways of earning a living imaginable!

"We have brought in the most notable labor big shots," so one high-type union-head lately explained to his employer, "to enforce our own pleas to our members that they should willingly pay their dues for the next five years in return for all the splendid wage-levels and working conditions we have obtained for them. With everything now put in such apple-pie shape for them, we and they have pleaded, we can't be expected to bring in some new gain on a silver salver every month. Nevertheless, our members keep asking why we stop short of the one, single remaining thing—the Closed Shop. We know that a large proportion of our members don't want it: even if they trust our own fairness, they are afraid of the hot-heads who might displace us. All the same, to keep the whole thing going, we have no choice but to go ahead and ask you for the Closed Shop."

Freedom from labor trouble?

IF PRESSED to name its advantages to the employer, such leaders will explain how it guarantees freedom from sit-downs, slow-downs and other upsets:

> We'll write into the contract the same stipulation as is made by the United Mine Workers that, whenever work is stopped in any manner which side-steps or short-circuits the procedure agreed upon for handling grievances, then every worker in the plant will be fined one dollar for every day or fraction thereof throughout such shut-down—and the Check-off will permit you, Mr. Employer, to make that deduction and dispose of the money by giving it to charity or into some fund held jointly between you and us. So we can all enjoy everlasting peace.

Such peace costs the employer, of course, his abandonment of any further right to say who shall and who shan't work for him. But it does get the leader—at least for a time—out of his predicament.

It is barely possible that the National Labor Relations Act may be found unfriendly to at least the Check-off. Paragraph 3 of Section 8 stipulates that "Nothing in this Act . . . shall preclude an employer from making an agreement with a labor organization . . . to require as a condition of employment, membership therein . . ." But this would hardly appear to favor the Check-off, seeing that it cannot fail to mean considerable current expense to the employer, thus representing illegal "financial or other support."

It has to be added, however, that the pro-labor attitude which employers and public now feel has been indicated by the various labor boards, makes this particular reed look like a weak one to lean upon—at least for what looks like a rather long present.

Two: As to your "What can I *do* about it?"—this same pro-CIO attitude, when added to the willingness—the necessity—of the CIO leaders to fight their way out of their dilemma, makes many employers fearful of even the one effort called for—the effort to make sure that every worker knows just what the Closed Shop and the Check-off really mean.

Nevertheless, there certainly ought to be a variety of ways for calling the attention of employees to the positively breath-taking control over their daily jobs—and hence over their daily lives—represented by either or both of these arrangements. I have in mind one large concern which has dealt satisfactorily with a certain union but which, when lately advised that the union's next demand would be for the Closed Shop (and Check-off), arranged to send into the home of its every employee a letter giving these reasons why it would resist such pressure to the uttermost:

> If we agreed to the proposed Closed Shop:
>
> 1. We would thereby compel every one of you to join Local #—— and to pay whatever dues it cared to assess upon you, whether you wished to join and pay dues or not.
>
>   This company has, of course, always refused to compel any of you either to join or not to join any organization of any sort.
>
> 2. We would be forced to discharge at once any or all of you who did not wish to join and pay dues to Local #——.
>
>   This company has always refused to discharge any employee unless he or she proved unwilling or unable to do the work assigned to him or her.
>
> 3. We would also be forced to discharge at once any one of you who, though you wished to join Local #——, might, for some reason, be considered unacceptable for membership by the Local's officers.
>
>   Such discharge would be unspeakably unfair to those of you who have proved yourselves faithful employees for anywhere from one to 40 years and more!
>
> 4. We would, in short, have to turn the entire control of your job and your future over to a Committee which constantly changes its members and which assumes no legal or other responsibility to you, to the Government, or to anybody else.

Without having to talk about its threat to "democracy," "individual freedom" or "Americanism," such picturing of the precise way the proposed arrangement would affect their daily livelihood could not fail, I believe, to make doubly sure the same apathetic members that leaders have lately encountered in Akron and elsewhere the moment they called a

strike for the one purpose of thus copper-riveting the leader's control of everybody's job.

Three: *In Conclusion.*

Do you wonder that, in my letter about the threatened "Battle of the Check-off" (NATION'S BUSINESS for August) I expressed my belief that this conflict is unlikely to be won "in any industry able to give a fair amount of job-regularity and job-protection and in any company able to handle ordinary grievances quickly," *unless* "the present inexperienced type of local CIO leaders can obtain continued, voluminous political help from Washington."

It is because of my abiding confidence in the judgment and long-headedness of my 60-per-centers that I believe the Closed Shop and the Check-off can be obtained in the newer CIO-organized industries only in case the leaders can "put it over," not so much on their employers as upon their *fellow-employees.* And I simply can't believe that federal law would go to the extent of compelling any employer to "cease and desist" giving out truthful information as to the actual operation of these little known arrangements.

I hope all this does not give you the idea that I am an everlasting enemy to unions. On the contrary, I have found a number of them well led and more than a little useful to their members. But I am against the Closed Shop on a nation-wide basis because I don't believe any group of labor leaders can be trusted not to abuse the colossal control it confers. I am equally opposed to any nation-wide Closed, *non-union* Shop. The country's employers could by no means be trusted not to abuse similarly complete control over the work and life of their employees.

By the same token, further, I oppose such laws as would give similarly complete 100-per-cent control over the nation's workers to Government. All this in spite of the fact that some such single control has the appearance of simplifying the problem.

There appears to me, therefore, no alternative to the continuation of that "selling contest" which I have elsewhere mentioned. After all, the public will decide the matter and, in the long run, will decide it on the basis of the fairest long-term arrangement to the worker, to the management and last, but decidedly not least, the customer. In my opinion, no intelligent man can doubt for a moment that this proper balance of these conflicting interests is vastly more likely to be achieved by this competitive "open-market" between employer, union and Government than by any other method.

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City_____ State_____

We Take Our Pen in Hand

AT the risk of writer's cramp we continue to serve our readers as corresponding secretary

MORE in sorrow than in anger, we take our pen in hand this month. We are embarrassed to have so many requests to write letters calling attention to absurdities, contradictions and governmental procedure ranging from the naïve to the ridiculous. There are conflicts which seem to be irreconcilable, policies which appear to be inexcusable. We can only trust that these inquiries will serve to bring responses that will drive away the clouds of doubt.

Government blackmail

"BLACKMAIL" and "hold-up" are harsh words. Half a dozen law enforcing agencies are ready at all times to be unleashed at the mention of such things. It must be disconcerting to learn that the American Hotel Association charges federal employees traveling in the Kansas City area with attempts to "blackmail" and "hold-up a group of American business men" for attempting to wrangle concessions from hotels. O. W. Prince, assistant manager of the Veterans Administration of Kansas City, is president of the "association," which the hotel association considers a racket. A hotel proprietor requests us to make further inquiry of Mr. Prince:

DEAR MR. PRINCE:

I have read where the American Hotel Association denounces your request upon hotels for reduced rates and discounts as an "organized attempt of federal office holders to blackmail hotel men." Realizing that the Government provides liberal expense accounts for agents traveling around laying cornerstones for postoffices and dedicating public projects, I should like to know if the alleged shakedown is a private affair or a governmental policy.

Land uses

IT would be a real achievement in mental acrobatics to qualify as a specialist in land uses under both Secretary Wallace and Secretary Ickes. Mr. Wallace will retire 30,000,000 acres of tillable lands from cultivation in 1938 and Mr. Ickes will make 1,200,000 acres of arid lands available for cultivation. A reader who admits he is too obtuse to reconcile these enterprises asks if we will write a letter to the Secretaries for further enlightenment, as follows:

DEAR MESSRS. SECRETARIES:

I read with some interest and much confusion your respective programs for land use. I learn that Secretary Wallace will pay farmers $135,000,000 for retiring 30,000,000 acres of productive land from cultivation and Mr. Ickes has spent $186,000,000 to make 1,200,000 acres of dry lands available for cultivation. I am sure these programs are consistent. I wish you would explain them so I can answer the argument of my neighbor who says they are cockeyed.

"Don't blow the safe. The door is unlocked."

OCCASIONALLY the Government has a brilliant idea. Some municipalities are too obtuse to take advantage of it. Perhaps others will profit from

From a Business Man's Scratch Pad . . . No. 19





Proprietors *would like* Pensions Too!

ARE you your own boss — in business for yourself . . . if so, you are not eligible for Social Security old age benefits. It is assumed that you, as a proprietor, will "look out" for yourself. Are you doing it?

The John Hancock Selective Security Policy provides you with a monthly income for life . . . after age 65.

This modern Selective Security Plan is so flexible that it is adaptable to every family need.

While the children are small it provides financial protection; if your wife has to continue without you after the children become self-supporting, she can receive a life income from this policy; and after you reach sixty-five, both you and your wife will enjoy a monthly income which will continue the rest of your lives.

Professional men — all proprietors operating their own businesses for their own account — these and many others should send for our authoritative booklet. It explains briefly and in non-technical language, the retirement and Social Security problem and how it affects you. It is absolutely free and there is no obligation.

DEPARTMENT J
JOHN HANCOCK MUTUAL LIFE INSURANCE CO.
Boston, Massachusetts

Please send me your booklet, "Selective Security."

Name.....

Address.....

City..... *State*.....

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GUY W. COX, President



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● The roster of New York's famous Hotel Pennsylvania reads like a chapter from "who's who" in the nation's business. And that's not surprising—leaders pick a leader! With its flair for innovations...with new beauty and color in its public rooms...and with sound-proof peace and quiet in its spacious bedrooms, Hotel Pennsylvania sets the standard for hotel service, comfort and luxury! And that's not all! Hotel Pennsylvania is so convenient to everywhere it gives you more time for work and leisure while in New York!



Convenient to everything. Within walking distance of theatres, shops, stores.

2200 ROOMS each with private bath . . . . Rates begin at $3.50

HOTEL PENNSYLVANIA

STATLER OPERATED

ACROSS FROM PENNSYLVANIA STATION, N. Y.

Frank A. McKowne, President · J. H. McCabe, Manager

the example of Point Pleasant, W. Va. That enterprising city established a Sanitary Board. The board issued bonds for $81,000; the PWA made a grant of $30,000, and advanced the Sanitary Board $111,000 for construction of a sewer system. By the time the sewer system was finished, the terms of some members had expired and the other members resigned. Point Pleasant has a sewer system, the Government has the bonds of the Sanitary Board, but there is no board. A mayor in another city writes with embarrassment that he didn't understand the Government's plan. He could have used $1,000,000 on the same basis that Point Pleasant used $111,000.

He asks us to inquire of Mr. Foley, general counsel, why he was not more frank in explaining the operation of the loan and grant system, in this language:

DEAR MR. FOLEY:

I am embarrassed that I did not understand fully the PWA loan and grant system. My city could easily have used $1,000,000 of government money. I understood the loans were obligations. My constituents are criticising me for not doing more for my town. They say I should have established a dummy commission to sell bonds to the PWA and let the commission expire when the money was spent. What am I going to tell them?

Congratulations!

DONALD BUTLER, 22-year-old Omaha youth, didn't have a job and he didn't have a wife. He needed a job. WPA officials told him he could have a job if he would get a wife. Now he has both. A reader asks if we will convey his congratulations. We are delighted to comply as follows:

DEAR MR. BUTLER:

Permit us to express best wishes and congratulations upon your success in solving your economic problem with domestic bliss. You have set a notable example to the youth of the country who have hesitated to marry because they have no job with which to support a wife. By making use of the facilities of relief you have shown that, while the Government has rules against taking on one, it is delighted to have two. May we express the wish that your happy married life will last as long as your job, which may be one of the four or five million which we are officially informed are to be "permanent."

Cows and consumers

MILK distributors tell us it would cost six cents a quart to leave a bottle of water on the doorstep every morning. Most persons realize they are paying for service as well as milk when they find the bottle is always there in the same place. Mayor LaGuardia tells New York milk distributors the price is too high and the cost should be reduced by eliminating the "frills." A producer suggests we write the mayor something like the following:

DEAR MR. MAYOR:

Your suggestion that everybody go to a central distributing place and have his milk ladled out to him in a bucket is good as far as it goes but it does not get rid of all the "frills." There would still be such frills as standards required by the health department, tuberculin tests for cows and regular inspection of dairies and dairy herds. Wouldn't it be better to require everybody to keep a cow and get rid of all the frills?

"Let the Government—"

"LET the Government" is the beginning, likewise the end, of practically every plan proposed to increase health, happiness or prosperity. G. G. Moskowitz, Newark, N. J., is almost but not quite a typical planner. A reader asks us to remind Mr. Moscowitz of his shortcoming in proposing his plan to obtain "the desired economic status," in this manner:

DEAR MR. MOSCOWITZ:

Your plan for achieving the administration goal through "the economy of plenty," barely falls short of perfection. You say let everybody increase production ten per cent; let the Government guarantee the same net profit for net production, and let the Government make up any difference if the profit is less. The plan seems fine but you spoil it by adding, "about the cost of such a program I cannot venture to make a prediction." If the plan is good why worry about the cost?

Baltimore Launches an Age Movement

(Continued from page 42)

"How did you like posing?" the Bureau asked this "Honest Abe" who, incidentally, is now at more permanent employment in his reformed character.

"It was fine," was the answer. "That is, until my nose started to itch. Also, I found out that I had more bones than I had ever dreamed. After a few days at it, however, I learned to lean on the air and even to sleep a few minutes standing up while the artist was drawing other parts of me than my eyes. Seriously, even the little money that it brought was a Godsend and put new life and hope into me."

That last remark, by the way, is indicative of the general attitude which prevails among the Bureau's clients. Men and women prefer any kind of work to a dole. The Bureau offers hope, self respect, new vision, new faith. Even if it did any one of those things and nothing more it would well justify its existence.

One very unusual case was handled by the Bureau. A woman applied to

it for work. She had been unable to obtain a position for some time, largely because she had consistently refused to give the name of her former employers.

Finally, driven by desperation, she confided to the Bureau that, for the past 15 years, she had been a private nurse to unsuspected drug addicts and that she had taken such medical cases under pledge of secrecy.

References investigated

NATURALLY her story was doubted. A prominent Baltimore man supported this disbelief. He had known the woman for a number of years, he asserted, and he had never heard of her being employed in any such capacity. Her story, according to him, was pure imagination, fostered by a disinclination to work.

The Bureau was not satisfied. It never is satisfied until it knows *both* sides of the case. Private investigation was started and, at last, through more than one channel, definite proof was found of the absolute truth of the woman's statement. Employment was found for her.

This particular piece of human history continued tragic to the end, however. Only nine days after the nurse had been given work she was struck and killed by an automobile. As a belated acknowledgement of her veracity, many beautiful floral tributes were sent to her funeral, most of them anonymously.

The Bureau is located in the Baltimore Trust Building and is directed by Harry W. Rolker. In addition to myself, other officers are Walter F. Perkins, vice president, and James M. Hepbron, secretary and treasurer.

The Board of Directors includes: Charles M. Cohn, S. J. Cort, J. A. Foley, F. E. Fusting, Adam J. Hazlett, Joseph P. Healy, Chester F. Hockley, James E. Hooper, William H. Meese, John T. Menzies, J. Jefferson Miller, Richard Mommers, Charles H. Roloson, Jr., and Walter Sondheim.

We fully appreciate that the actual number of persons whom our Placement Bureau can place in employment will be limited. Our larger field is in every way to gain recruits to our effort to remove the prejudice, to break down the barriers. We realize that, no matter what can be accomplished, the man or woman advanced in years will always be under a great handicap. The most we can expect to do is to remove the rigid barrier that shuts him out. Such a barrier is inhumane and antisocial.

It is our belief that there is a place in every business for humanity, regardless of actuarial figures or arithmetic.

In Jersey City

THE SUN SHINES ON ALL ALIKE



Both business and labor are content in Jersey City. Here there is no discrimination against either capital or the working man. For twenty-four years a stable and continuous city administration has worked for the good of both—insisting on satisfactory working conditions and fair compensation for labor, and at the same time safeguarding business against the violence of irresponsible elements. The result is an attitude of mutual respect and understanding.

Today the manufacturer moving to Jersey City finds a supply of skilled and unskilled labor, both plentiful and happy, ready to cooperate in the efficient production of goods for economical distribution to America's No. 1 market. Jersey City's own diversified labor supply, trained in many industries, is supplemented by that of New York City and various New Jersey communities that are within rapid-transit distance, although most employees from out-of-town promptly seek homes in Jersey City because of the many advantages offered by the community.

For specific information as to what advantages Jersey City offers as a location for your business, write or wire Mayor Frank Hague, City Hall, Jersey City, N. J., for a copy of the booklet entitled, "Jersey City Has Everything for Industry."



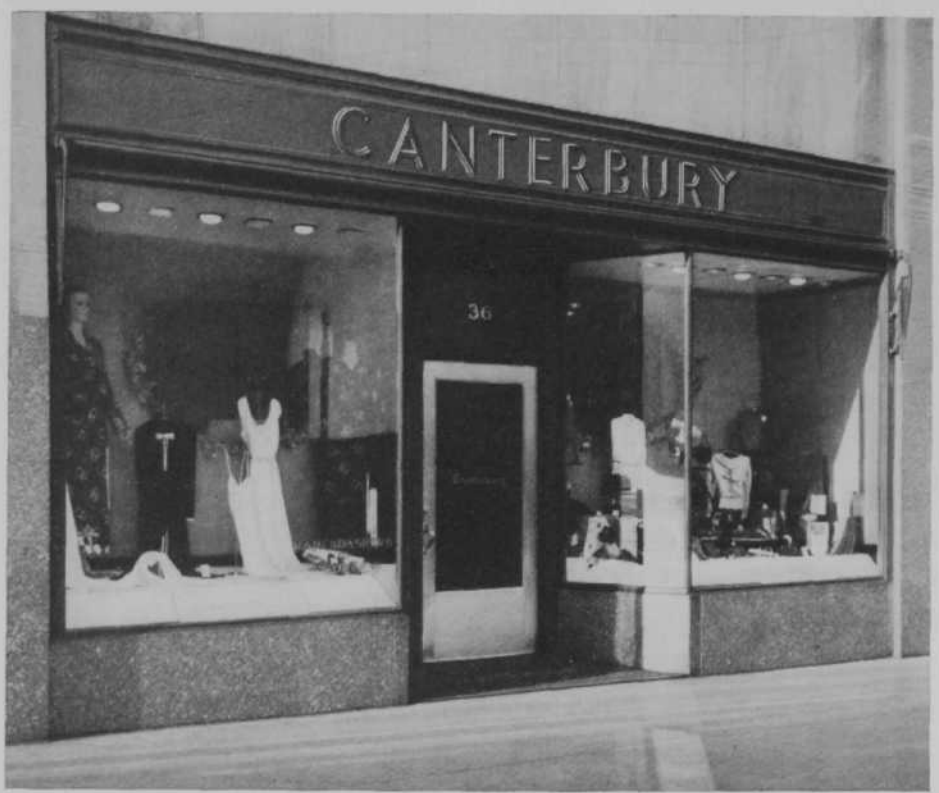
JERSEY CITY *has Everything* FOR INDUSTRY



ROCKEFELLER CENTER *uses*

ANACONDA BRONZE

for store fronts of enduring appeal!



Canterbury's, RCA Building, Rockefeller Center, New York. Architects: *Reinhard & Hofmeister; Corbett, Harrison & McMurray; Hood & Fouilhoux.* Anaconda Bronze *by General Bronze Corp., L. I. C., N. Y.*

IN ROCKEFELLER CENTER—where smartness is keynoted—you will find that the predominant metal is bronze. Retailers in this famous shopping district recognize bronze as the ideal setting for their finest displays. This beautiful metal lends an air of warmth, of quiet distinction. It appeals subtly to buyers *without distracting their attention from the merchandise displayed.*

This trend to bronze has spread rapidly to every city and town in America. Alert building owners and tenants realize that the store front plays a vital part in "putting across" the display it frames. Equally important, it must be durable—a sound investment.

Anaconda Bronze is as practical as it is good-looking. Durable and rust-proof, it renders permanent service. Upkeep expense is negligible. For bronze is easily cleaned and can be kept in its original state with only slight attention.

The American Brass Company is the principal supplier of bronze, copper, and nickel silver in the form of extruded shapes, drawn shapes, sheets, etc., as used in the construction of ornamental work of every description.

37265

ANACONDA *Anaconda Copper & Brass*

THE AMERICAN BRASS CO • GENERAL OFFICES: WATERBURY, CONN.

Offices and Agencies in Principal Cities • In Canada: ANACONDA AMERICAN BRASS LTD., New Toronto, Ontario

They Come in on Every Train

(Continued from page 45)

have not arrived but the memories of his magnetic personality remain.

Following the same "line of least resistance," he found receptive souls a day's journey off, where he sold two groups at loggerheads over competing highways. It required only a brief holiday to collect $2,000. Then he and his spiffy car (with a set of new tires on credit) vanished on the "Darkness to Dawn Trail" towards other "PERfectly adorable spots!"

A "survey" of possibilities

SMALL investment and quick turnover satisfy some who work in this twilight zone of salesmanship. A good "Industrial Research Engineer" can tell a town's fortune in 24 hours, without the use of tea leaves or a deck of cards. He sells them a "survey" after $75 to $100 is in his hands. He does neat typing and departs leaving citizens amazed at their "Potentialities for Industrial Expansion" (it is all in the "survey"), and with the assurance that inquiring industrial prospects will be routed, pronto, their way. Under normal conditions three towns a week is a fair average.

When an "S. O. S." with a feminine squeal is picked up over a "heat-wave" set, instinctively one knows a novitiate in the Tourist Home business has made a long farewell to hard earned cash, anywhere from $15 to $35.

"And he promised to send me ONLY selected, respectably wedded couples."

Tourist lodges and camps; tourist homes, service stations, boarding houses and, occasionally a small hotel are easily mesmerized by "Tourist Service *De Looks*," when, in addition to being in such refined company, it offers:

1. Advertising space in a "Guide" impatiently awaited by the touring fraternity.
2. A sign-board which outclasses the de Medici coat-of-arms.
3. Advising particular people to travel the Peedeque Highway in order to meet you.

This is a lucrative field if worked on a three-year crop rotation basis, using summer fallowing.

"Shooting Them on the Wing," which is the colorful argot of the "Loot 'EM and Leave 'EM" guild, means using the mails. Its "overhead" is low but so is its "visibility." Witness this letter:

Dear Madam:

During your visit to the ——— State

$1,500,000,000

in milk checks

MILK checks, amounting to approximately one and one-half billion dollars, will be received this year by the dairy farmers of the nation—an increase of some eighty millions of dollars over 1936.

This vast sum of purchasing power is in no small measure due to increased consumption of milk and milk products by American families.

Fluid milk distributors and dairy product manufacturers have been mainly responsible for this increase in consumption. Not only have they educated the public as to the value of milk in the diet, but their laboratories have constantly improved the quality and nutritional value of foods made from milk.

The laboratories of *Sealtest, Inc. have had an important part in broadening the Market for the products of America's dairy farms. Sealtest is proud of its contributions to this onward march of the dairy industry.

*Sealtest, Inc. is a separate division of National Dairy Products Corporation. The symbol of the Sealtest System of Laboratory Protection is awarded to foods produced by affiliated National Dairy Companies under Sealtest supervision.

THE SEALTEST SYSTEM OF LABORATORY PROTECTION

THE SEALTEST SYSTEM OF LABORATORY PROTECTION

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FOR 37 YEARS WE'VE MADE RUBBER SERVE INDUSTRY

★ Republic's long experience in the manufacture of mechanical rubber has given industry many noted improvements in transmission, conveyor and elevator belting, hose, packings and molded products. No expense has been spared in laboratory research and field investigation to uncover the exacting needs of advancing industries or to provide the engineering skill and breadth of facilities necessary to produce them. Republic is one of the large plants of the world devoted exclusively to the manufacture of mechanical rubber products.



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YOUNGSTOWN • OHIO

Manufacturers of HOSE BELTING • PACKING MOLDED PRODUCTS

ORDER REPUBLIC RUBBER PRODUCTS FROM YOUR DISTRIBUTOR

Kimpak
CREPE WADDING
Protects America's "Best Sellers" against shipping damage



ANOTHER BEST SELLER PROTECTED BY KIMPAK

The Carborundum Company uses KIMPAK, pictured above, to protect its display file from shipping damage to itself and other boxed files.

• • •

• Will your product look "factory-new" on the retail sales floor? When you pack with KIMPAK, you're sure that goods arrive—ready for the spotlight position on display floor or counter.

KIMPAK is the economical modern packing material that comes in sizes and thicknesses to protect every type of merchandise. KIMPAK is clean, snowy-white, light, absorbent, flexible, and as easy to use as a piece of string. To learn how KIMPAK can solve your shipping problems, just write us for *free* portfolio of samples. Please address nearest office on your letterhead.

KIMBERLY-CLARK CORPORATION, Neenah, Wisconsin
Sales Offices: 8 S. Michigan Ave., Chicago; 122 E. 42nd St., New York City; 510 W. 6th St., Los Angeles

Fair, you received a free ticket from us which entitled you to be in the drawing for lots on our new "Swampsite Home Development" tract.

We are happy to inform you that, in the recent drawing, your coupon places you among the fortunate few and you are now the possessor of a corner lot on Hem and Haw Avenues. All that you are required to do will be to forward certified check for $47.85 to cover drawing of deed, registration fees, etc. Kindly attend to this at once, as under the terms of the drawing, the lot must be sold if you do not want to retain it and we have a purchaser willing to pay $250 for it.

Congratulating you on your good luck, we are,

Elysium Fields, Inc.,
by: Howe I. Hookem, President

Smooth strangers are not the only ones who "sell the homefolks down the river." Frequently a "Small Town Boy Makes Good" and returns to his native heath to do a neat job of shearing the local flocks. Ananias Ding Dong, Esq., was such a one.

Personality, plus, exuded from every pore and flowed over his audiences like syrup over a stack of wheats.

The "Return of the Native" after 20 years—"Exile has it been to me, my friends"—was preceded by such items in the local papers as:

We have received word that Mr. A. Ding Dong, who will be remembered as the son of the late Elighe and Sophrina Ding Dong, one of the county's most distinguished families, has been made Chairman of the Board of the Rappem Mfg. Corp., which is the logical result of his unusual gift for sound organization. The news will please his many friends here at home.

"You must call me 'A. D. D.'" and he beamed on the Luncheon Club members. "It is the homing instinct which brought me here. My heart is too full for utterance and—" from then on the cerulean blue alone limited what he planned to do for "my friends and neighbors."

A patent to do wonders

AGHAST was he at the somnolence. Industry must lead them upward. Fortunate were they that he held right, title, and interest in a patent which would lead them out of the "Slough of Despond of a Demoralized Agriculture" (a good stenog unobtrusively pot-hooked his eloquence) and the patent was for them if they would cooperate.

They did.

Nothing was mechanically wrong with his patent (on the surface) for it had been in production for years, but any fool who tried to give this information to "A. D. D's." new proselytes ran the risk of making a skin acquaintance with tar and feathers. When their industrial "Moses" mentioned that nothing was lacking except raw materials, machinery, a plant in keeping with the aristocratic

background and, a-a-ah, some money —the situation was corrected.

The contractor who built the plant, as a special concession, was permitted to sell stock to his friends to pay for his work. Lawyers, doctors, bankers, all sweetened the pot and, as usual, pathetically so, many invested from sheer community pride and a desire to help others. Nobody was left out, including widows and orphans. And, in the end, they built "A. D. D." a monument which represents about $200,000 to those who tithed, but what percentage of this "A. D. D." retained as cash he failed to mention ere he departed, beaming as usual.

A monument for sale

IT IS the only monument in that section of God's country which is for sale and its present custodians would be overjoyed if offered, say, $20,000 for it. Any one interested in starting a skating rink, art school or nudist theater; or engaging in metal working, painting stage scenery or outfitting sailing vessels would find it has surprising possibilities.

Industry and manufacture are in a state of flux but their decentralization is not coming through fabricating air-castles to house them. There is always a "First of May" after every major economic dislocation and responsible entities in many lines are expanding, reaching out for markets in hitherto neglected areas where subsidiary plants, factories and distribution facilities may be needed. But those who plan the "moving" know where they are going long before their new neighbors have had wind of it.

How to get those facts across to well intentioned business men who are moved by an honest desire to advance the interests of their immediate habitat has been a weight-reducing process for more than one chamber of commerce secretary.

How to keep people with a social conscience from being fall guys in these larger buccaneering cruises seems to be the job for all ethical business elements, for it is the bar sinister, you know, who gets the family unpleasantly talked about.

Where an active chamber of commerce functions there is a good "listening post" to give advance warning of the approach of the picaroons' sweeps, but many secretaries have painful recollections of the reception given such "warnings" by the very people they guarded. And though they may get team work from courageous local editors it is the same old story.

"They" come in on every train, with the home-folks awaiting them.

When Detail is No Problem

You're most valuable, when you're free from detail. Free to think and plan . . . to do those things no one else can do for you. *Dictaphone frees you for these things as shorthand never can.*





While you dictate, for instance, your secretary needn't be just a shorthand machine. Dictaphone lets her keep on being a *secretary*. Getting things done . . . guarding you from interruption.



Routine takes less time. You handle it as it arises with Dictaphone. In the moment of fresh attention. Gets routine off your mind, off your desk.



Too many good ideas die of sheer inertia. With Dictaphone at your elbow, the vaguest hunch is quickly outlined for further thought. Clearer ideas are set into action at once.



THE TREND TO
DICTAPHONE
SWEEPS ON

Make your own check of what Dictaphone will really do for you. Phone Dictaphone in your city. Let us put one of these modern dictating machines on your desk. There's no obligation. Phone us, or mail the coupon now.

NB-11
Dictaphone Sales Corp., 420 Lexington Ave., N. Y. C.
In Canada—86 Richmond St., West, Toronto
☐ Please let me know when "Two Salesmen in Search of an Order" will be exhibited in my city.
☐ I want to see your representative.

Name _____
Company _____
Address _____

The word DICTAPHONE is the Registered Trade Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade Mark is Applied.

Courtesy is My Business

(Continued from page 19)

antly as if they were face to face. The word "hello" we cut out completely, because it was pure waste of time. If you said "hello" a dozen times, you would still have to identify yourself; therefore omit the "hello" and answer your call by saying "Johns-Manville Company." If your voice shows a friendly interest in the caller and you quickly put him in touch with the person he wants, you have made a friend for the house. If you are indifferent or flippant, you may discourage a customer—and the Company wants every customer it can get.

We adopted—and all lived up to—the following principles:

Politeness aids business and hinders no one.

Such words as "yes, sir," "thank you," and "please," do not indicate servility; they are proof of good breeding.

Never say "hello."

Brusqueness has no place in business.

Politeness does not waste time; it saves time and sweetens temper.

Clear enunciation is more precious than rubies.

The small dealer you are courteous to today may be a big customer next year. We can't play favorites or have part-time politeness. Our courtesy must be genuine.

Sham politeness is worse than none.

It was necessary to extend the system throughout the whole establishment, so that everyone who came in contact with the public was prompted to be pleasant. Office boys, clerks, salesmen and receptionists all were urged to be courteous; for hundreds of customers came in contact with them to one who met the president or any other executive. I impressed on them as forcefully as I could the fact that they could do more than any others to build up good will for the company. The more intelligent they were, the quicker they grasped the idea that constant courtesy would help them to promotion.

Once in a while we had to cure a case of telephone cowardice—people who spoke rudely or brusquely over the telephone when they wouldn't think of doing so in a conversation face to face. I suppose that comes from regarding the telephone merely as a mechanical contrivance and forgetting that there is a flesh and blood human being at the other end of the wire. I urged them to remember that, while the instrument could not resent a snarling or impatient voice, the person using it could and would resent it. Personality goes over the wires as vividly as it does when people speak eye to eye.

It is hard to overcome the force of old habit, as I found when we tackled the next problem.

So many executives are used to asking their operator "get me Mr. Soandso," without giving the telephone number of the person they want, that it is one of the hardest faults to get rid of—yet you cannot have perfect telephone service where that custom exists. If the girl has been long on the job and has a good memory for numbers, she puts through the call instantly; but if she has to thumb over the telephone directory or call *Information,* she must put aside her business as telephone operator while she acts as the executive's secretary—which means delay, confusion, and sometimes a serious loss of business.

Time wasted in calls

FOR days I kept track of calls made in this careless way, and found that, on the average, they consumed a fraction more than two minutes a call of extra time. If your office has a thousand calls a day and you waste two minutes on every other one, you are throwing away 16⅔ hours of telephone service, which is equal to the day's work of two operators. Not only that, but you run the risk of losing customers who may call up while she is hunting up the number you want.

It did not take long to prove this point, and presently every call from our office was made by number. If the executive did not know the number, his secretary got it for him—and a big obstruction to good wire service was wiped out.

Another source of delay and waste of time was shut off when the company adopted a rule prohibiting personal calls in business hours except in case of actual need or unavoidable emergency. This might seem harsh at first, but it had to be obeyed in the interest of efficiency. As soon as the reason was explained to the staff, every one agreed that such a rule was necessary.

I once made a ten days' check of personal calls on the switchboard of a large business office. In that time there were 146 outgoing and 337 incoming personal calls. The $9.38 charges on the outgoing calls was insignificant compared with the 12 hours and ten minutes of time consumed. The incoming calls used 28 hours and four minutes. Altogether they were equal to five working days taken from the office service.

Within two months, Johns-Manville's telephone service was 100 per cent improved. How much the special attention to politeness added to the volume no one could tell. Certainly it did not drive any business away.

The president was so gratified with the results that he sent me to all the offices of the company, from Boston and Philadelphia, through Chicago and to the Pacific Coast, teaching the system even in the asbestos mines of Quebec. In every place the district manager called meetings of the staff, at which I told what we were trying to do and why courtesy was the best policy. Not as a matter of policy merely, but as a decent way of living, treating others as we'd like to have them treat us. That is the Golden Rule—and I've never heard of any better way to live.

Of course, it was not easy to convince some of our staff, who had been a long time on the job and were set in their ways.

"If you can sell your idea to our oldest star salesman," they told me, "you are a magician. He hates women in business."

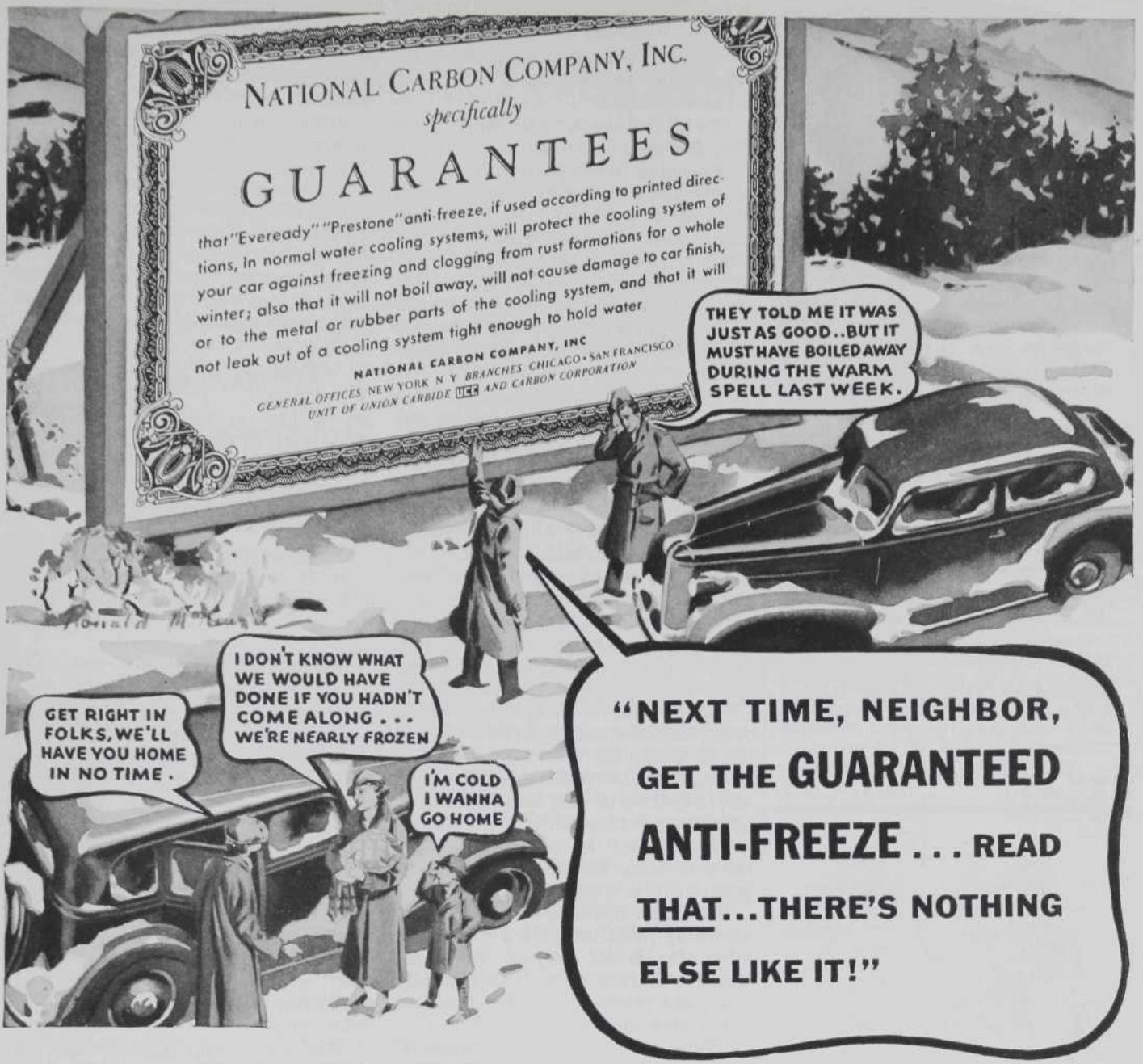
I made no rash promise. That statement was more than a challenge; it presented an opportunity. If I could win my chief opponent to my side, the rest would be easy. Above all else, I resolved to try to see things from his point of view. When I got to Seattle, home of the old star, the boss agreed to gather the staff at nine next morning to listen to my talk.

"Batterson," he said, "won't be there, of course. He's dead set against your system, so don't give him a moment's thought. He says women in business are a pest. He's so sore at your coming out here that he swears you'll never see him—going to answer his mail and clear out before you come in."

So, at a quarter of eight, I was waiting for the porter to open the doors. A few minutes later a gray-haired, keen-eyed man came in. I smiled, bade him good morning, and told my name. He nodded and said yes, with an air of having heard much more interesting things than that.

"Our president," I said, "shook my hand before I left New York, Mr. Batterson, and asked me to give you that handshake and his best wishes."

"Hi is a fine man," the old star admitted, reluctantly accepting the handshake. "He ought to be good. When he was a boy I broke him in—and whacked him plenty when he didn't work right. Yep; he's good.



Among all the brands available to U. S. motorists, there's no other anti-freeze like "Eveready" "Prestone." This anti-freeze is guaranteed, insures you against FREEZE-UP, BOIL-AWAY and RUST-CLOGGING, the three winter purse-snatchers that cost American motorists millions of dollars every year. • But when you gamble on anti-freeze you risk more than money...you take chances with your family's health and safety, hazard all-winter comfort, wreck your peace-of-mind. • Every year millions more decide on safety, demand "Eveready" "Prestone" anti-freeze. So perhaps you should get yours early...*Today,* for example.



EVEREADY PRESTONE

TRADE-MARKS

ANTI-FREEZE

IS GUARANTEED IN *Writing*

Buy "Prestone" anti-freeze from dealers who are properly equipped to service your car for winter driving.

WING
Floodlight Heating



Is the projecting of heat to the working zone and spreading it uniformly over the entire area. This is accomplished by

WING *Featherweight* UNIT HEATERS

In addition they eliminate heat waste through the roof and walls by preventing the accumulation of heat overhead. Mounted near the roof, they constantly remove air from the upper spaces and thus avoid high air temperatures.

They eliminate the high first cost of numerous heaters and extensive piping because fewer heaters are needed.

They eliminate waste of floor space.

Send for catalog.

L. J. WING MFG. CO.
55 Seventh Ave. New York, N. Y.

The Atmosphere of an Exclusive Club

and yet over 50% of all rooms for $3.50 or less single; $5.00 or less double.

Hotel Mayfair
ST. LOUIS

SWINGING PANEL FIXTURES

For Displaying Maps, Charts, Blueprints, Photos, Advertising, Samples of Merchandise.



Made in many styles and sizes. Get catalog

Like vertical loose-leaf book. Both sides of wings used for displaying a vast amount of material in compact space. Built of steel. Various styles and sizes. Write for catalog.

MULTIPLEX DISPLAY FIXTURE COMPANY
926-936 N. Tenth St. St. Louis, Mo.

Have you ever been in Seattle before?"

"Never," said I. "It's a beautiful city. I hope to see a lot of it before I go to Vancouver."

"In all the world," said Mr. Batterson, his eyes lighting up, "you can find nothing to compare with Seattle. Maybe you'd care to drive round with Mamma and me after I finish my day's work. We'll show you twice as much as the youngsters can."

"If only you could spare a few minutes this morning," I remarked, as if I were thinking out loud, "it would help a lot if you'd sit in while I talk to them."

"Me?" he snorted, frowning. "Not for a million! We're selling goods, not fancy manners. I'll have nothing to do with any woman business. That's out!"

"Forget the woman," I urged, "and think of our business. The courtesy system is working fine all through the East and the Middle West."

"But, my dear young woman," said the star salesman grimly, "I've got to go out and sell my people. Someone's got to earn the money to pay for you and all the expensive doodads Hi is bringing in."

"That's just it," I answered. "With your help, we can boost our sales a lot by this plan. That's worth going after, and if the boys see you're with me, they'll sit up and take notice. It's only from 9 to 9:15."

"Umn-m-m," he reflected. "Might be something in that. My first appointment is 9:30. Well, we'll see."

When Mr. Batterson came into the assembly room and took a chair near mine, the crowd gasped. They had heard him roar at the idea of any damdame teaching him his business—yet here he was!

"Your good will," I said, "must be on the level. People can smell a fake a mile off. When you realize that the more you help them, the more you're helping the Company and yourself, you'll do your honest best for them. We're all selfish—no doubt about that; but you're serving yourself by serving them. Remember, people don't meet the president or the directors. They meet the office boy, the receptionist, the salesman, the clerk. The captain sets the course, but it's the crew that sails the ship. Any one of you can do the Company more harm than the chiefs can overcome in a year—but every one of you can win friends for the house."

"You know, I think you've got something there," said Mr. Batterson as I stopped on the tick of 9:15. "Maybe I've been doing what you say without planning it—worked it out by rule of thumb, as you might say. Well, we'll meet you here at four."

At the farewell party Batterson was jovial.

"Give Hi this handshake," he told me, with a grip that almost paralyzed me, "and tell him I say you not only know your onions, but you know how to bunch 'em."

After visiting all the Company's branches in the United States and Canada, I reported to the president.

"Just what did Batterson say?" he asked. I repeated the words.

"That's what he wrote me the day you left," the president laughed. "Your system worked a miracle there. If you were a man, you'd be a general sales manager."

Training to get business

MY employers lent my services to the American Gas and Electric Company, which supplied light, heat and power and operated many suburban trolley lines in Pennsylvania, Delaware and New Jersey. It was an exciting novelty to go to the car barn at 6:30 of a black winter morning, and speak to 40 or 50 husky men before anyone took out the first car.

They caught on quickly; that every time they obliged a passenger they were adding to the Company's business and contributing to their own pay envelopes, and that watching out for passengers, even if it took extra time, was a good game if you really had your heart in it.

"Don't let people write in complaints that you ran past them," I finished. "You boys wouldn't run away from your bread and butter."

"Say, how did you know about that old hen I skipped past at Grove Avenue?" a big motorman asked me as the crowd was moving out. I said I didn't know.

"Ah, you musta known," he insisted. "You had your eye on me when you said it. That dame never comes out till I'm near the corner, then wants me to wait while she trots a hundred yards. That's why I have to run past her."

"Maybe if you had to wash breakfast dishes and sweep and make beds, you might be a few seconds late yourself," I suggested.

"You said it!" he acknowledged. "I never thought of that. I only wanted to make time. I'll give her a break after this."

Late that afternoon I gave a similar talk to the men of the night runs. At the end, a tall motorman, in his Sunday clothes, his face a fiery red as he made his first public speech, handed me a long, deep box, filled with American Beauty roses.

"I'm one of the day bunch," he said. "The fellows got these for you, and told me to say we're all with you." For once in my life I choked up and couldn't make a speech. Three dozen

of the loveliest and most costly flowers! In February! From men who needed every penny they earned!

It was easy to initiate the checkers of gas and electric meters into the gentle art of making friends of those they called on. It was not hard to learn to say, "May I see the meter?" instead of, "Gas Company. I wanna see yer meter." And men with homes of their own only needed to be reminded that it is not a friendly act to track mud or snow over a newly scrubbed kitchen floor.

Cashiers who take the householders' money were not so easy. For years it had been their custom to count the currency, stamp the bill "paid," and hand it back, all without a word. There is a certain dignity in taking tribute, and all men in public institutions are tempted to forget that the public are their employers, not their servants. But after a few lessons, the most austere cashiers learned to note the name on the bill and say, "Thank you, Mrs. Jones," as they handed it back with a smile.

Our nation was founded on the doctrine that one man is as good as another, and we all instinctively resent anything that looks like kowtowing. Sometimes it takes real labor to persuade people that "Yes, sir" or "No, ma'am," are simply the little marks of attention that make conversation pleasant, but when I remind them that they enjoy this attention themselves, they are willing to extend it to others. Whoever respects himself finds it easy to respect others. But the courtesy must be genuine, spontaneous. I'd rather face a man with a club than an affable fellow with a buttered smile.

Convinced of the value of my system in business generally, I branched out on my own account. R. G. Dun and Company, the General Foods Corporation, the Chatham and Phoenix Bank, Fenner and Beane, and other companies engaged me to coach their staffs, and found that special attention to courtesy is a profitable asset. When I was retained by a Stock Exchange house, I discovered that the field of business carried on by telephone was where I could help most. Ninety-eight per cent of the trading in securities is done by telephone, and the PBX is the busiest part of a brokerage office.

On a lively day, with thousands of shares being dealt in every minute, the girls who handle the calls work in a nightmare of activity. Loss of a few seconds may mean an awful smash. Nerves crack under the strain. Girls have been known to pull hair and even come to blows in a PBX that is not trained for speed with politeness.

From nine till four or five every day I supervise the PBX's of several Exchange houses in which I have installed my system. I have a staff of inspectors who call up at the busiest hours to make sure that the operators are swift and polite. In one of the biggest wire houses in New York you will see the operators' hands glide with quick, smooth motion as they pluck the right cord out of the bewildering array on the board, plug in, then watch for the light that indicates the next call. In the flight of those hands there is a rhythm such as you see when Paderewski's fingers skim over the keyboard.

All calls are important

SOMETIMES a customer who does not get his answer instantly complains that his call is important. Of course, it is. All our calls are important, and we're all keyed up to give him our best service. Do you know who the people are who try to crowd in ahead of all the rest? Inferiority complex victims, boosting themselves. Big men know they're big, and don't have to bulldoze to prove it.

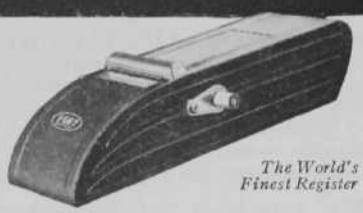
One of the most important men on the Stock Exchange answers his own telephone directly instead of waiting for his secretary to do it, and if there's a jam, waits his turn like any one else. And he always calls by number—not by name—which aids accuracy and saves time. It is logical to believe that one reason for his success is that he is courteous himself and will tolerate no part-time courtesy in his organization. All the employees are as pleasant to one another as they are to the public.

"How do your operators stand the strain of this intense work?" I am often asked.

The answer is that they thrive on it. There never were girls with brighter eyes or a healthier interest in life. I read the other day a psychologist's solemn warning that women are constitutionally and temperamentally unfit for the cares of strenuous business; that, under the stresses of responsibility, they break down, physically or mentally—sometimes both. Maybe some do; but so do some men break down, yet the psychologists don't warn men to give up business.

Our gloomy friend forgets that men have been fighting for a living out in the open for thousands of years, while it was only yesterday that women came out of the shelter of the home. Give us time, and we'll adjust ourselves to our new position, just as men have adapted themselves to changed conditions through the ages. Women in business are here to stay—and we'll be here when the sad prophets are extinct as the dodo.

COMPLETE PROTECTION
FOR OWNERS, CLERKS AND CUSTOMERS



The World's Finest Register

The "400 Line" Egry Tru-Pak enjoys a unique responsibility in the business world. It is a silent, ever watchful guardian of profits—assuring complete protection and control over every initial business transaction. It eliminates the losses caused by mistakes, carelessness, forgetfulness and temptation. The Tru-Pak provides a private alteration-and tamper-proof copy of each recorded transaction neatly refolded in the locked compartment of the register. It safeguards the best interests of customers, clerks and owner—this modern, indispensable aid to the profitable conduct of every business.

TRU-PAK AUDITOR

An integral unit of cash drawer and Tru-Pak Recorder, by which a record must be made on the Tru-Pak before cash drawer can be opened. Fixes responsibility for all transactions involving cash.



EGRY CREDIT SYSTEM—Ideal for the smaller business. Requires minimum time and effort and simplifies handling of credits, giving complete data on all charge accounts instantly.

Mail the coupon for further information.



EGRY REGISTER SYSTEMS

THE EGRY REGISTER CO., Dayton, O. NB-1137
Please send me information on Egry Register Systems and tell me how they will fit into my business.

Name.....
Business.....
Address.....
City.....State.....

Sales agencies in principal cities

GEARED TO THE NEEDS OF INDUSTRY AND AGRICULTURE

SIXTY-NINE YEARS AGO, The Live Stock National Bank was organized to give close cooperation and needed financial assistance chiefly to Chicago's great packing and agricultural industries — then in the early stages of development and expansion.

TODAY, Live Stock National serves great corporations throughout the *entire middle west,* representing practically *every kind of business.* But the same friendly service and conservative policies, the same *individual* helpfulness, that contributed so greatly to our customers' early growth (and resultantly to our own) is still here. We believe that *you* will find it valuable.

Live Stock
National **Bank** of Chicago
ESTABLISHED 1868 — ONE OF CHICAGO'S OLDEST BANKS
F. H. PRINCE, Chairman — D. H. REIMERS, President
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Residence Elevators



INCLIN-ATOR

Designed for the side of the stairway without interfering with the customary use of the stairs. Seats fold against wall when not in use. Easily installed without defacing stairs, floors, or walls. Finished to harmonize with the woodwork. Electrically operated.


"Elevette"

"Elevette"

Easily installed in stairwell, closet or corner of room. No overhead machinery; shaft enclosure not essential. Cars made any size up to wheel-chair capacity.

Full information and name of nearest representative will be sent on request.

Inclinator Co. of America
303 So. Cameron St., Harrisburg, Penna.
Originators and Manufacturers of Simplified Passenger Lifts for the Home

The Movie Turns Salesman

(Continued from page 78)

such producers there was no place to exhibit their product.

A few hardy pioneers formed the first commercial motion picture company. With second rate talent they made advertising pictures. These films had a thin coating of entertainment that soon melted away to a kernel of stoogy selling. The audience felt cheated. It was accustomed to expect entertainment from motion pictures. People left the show bristling with sales resistance.

Happily the circulation of these business films was limited. The pie shaped can of film soon came to gather dust on the shelves of its sponsor. After a dose of this kind of medicine, many an advertising manager vowed he'd not touch motion pictures again—at any price.

Yet from those early mistakes the more persistent user learned some valuable lessons.

Motion pictures learned to teach

WHILE the manufacturer was trying to glorify his product with films heavy in drama and stoogy selling, motion pictures were going to school. The University of Chicago, Columbia School of Education, Yale University, and the University of Southern California were conducting tests to determine the efficiency of motion pictures as tools for teaching.

They made films based on their findings. Children learned one-third more; remembered twice as long what they learned, when taught with motion pictures. Taking this tip the manufacturer said:

> Selling is education. To be thoroughly educated in the advantages of a product is to be completely sold on that product. If motion pictures can teach, they can sell!

With this idea in mind he went to his commercial motion picture producer. Plans were made. It was decided to improve the technical finish of business films.

Professional Hollywood directors, cameramen, sound recorders, stage designers were brought into the commercial fold. They worked under the guidance of writers and salesmen with merchandising and advertising experience. A national projection system was set up. The new pictures were released.

A tidal wave of popular interest in science and education let down the bars to these new informative films. Nothing could do a better job of explaining than the talking motion picture. It gave factual "know how" of a most useful kind. An educational film could explain the principles of manufacture and operation of a washing machine, a motor car, or a vacuum cleaner. And, in a mechanical civilization, people must become acquainted with thousands of new devices contributing to their comfort and convenience.

Today the manufacturer has learned to style his picture for his market.

Pictures are specialized

POPULATION is divided into occupational groups. The aim of the picture is narrowed to the interests of the group of prospects to be reached. The power of personal impression of motion pictures is thus augmented. As everyone with money to spend falls into one group or another, such a campaign has a definite, extensive and predictable circulation.

The complexion of each picture is changed with each group to be sold. In the shop a picture will be made to speak to the mechanic of his familiar tools. To the farmer the picture will speak of crops, tractors and fuel. In the offices the facts and figures of group selling pictures speak the language of bookkeeper, clerk and manager.

Through his commercial motion picture producer, the manufacturer studies the needs and objectives of these groups. Then a picture is made based on facts that will help promote these objectives. For example, it is found that, as fraternal clubs grow, they want members to know more about the historical background of the movement. Accordingly a picture is made in which the interesting history of these groups lives again for their membership. Safety is important to every motorist. A picture is made setting forth the advantages of safe road construction. With such films in hand the manufacturer finds a ready welcome for his own educational subjects. He opens a new field of usefulness for the talking picture.

Things to avoid in movies

CERTAIN "must nots" emerge from the experience of users of this type of film.

The audience, the user finds, resents audible reference to brand name or company name. The product may be shown in action, however, if the action pertains to the explanation being given in the film. The audience

resents a direct appeal to buy. The urge to buy moves in under the impulse of logic and emotion skillfully combined in the film. The audience must leave with the feeling that its time has been well spent. The way is then left open for a return engagement and a continuation of the motion picture campaign.

Included in the program of group selling are pictures made to be shown at the dealer's place of business. These pictures are designed to bring the buying public to the place of selling. The program includes topical newsreels, popularized educationals, institutional pictures, and pictures dealing with problems such as public safety and family finance. Immediate sales of the product in store or showroom are a result of these showings. Public interest in this type of entertainment indicates that commercial theatres are a matter of the near future.

Instead of one night stands at dealers' places of business, daily shows will be given at the local commercial theater. There, travelogues, newsreels, and popular science shorts will plug the product, showing it in action and in full color.

Mobile theaters are used

THERE are other types of sales film depending on what is to be sold and where. For selling items like cigarettes costing only a few cents an "automovie" is effective.

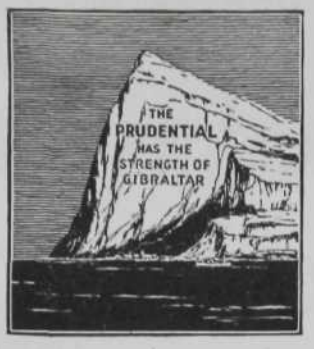
As its name implies, the automovie is an automobile (usually a large truck) carrying a motion picture projector and screen and public address system.

Like the medicine man of yesterday, the automovie gathers its own crowd; gives its own show. It is an excellent salesman in the rural areas of the South and West. Pictures shown are short and are based on attention value.

Perhaps most interesting for their high potential value are the films being made to guide public thinking. Group selling pictures sell products, these propaganda pictures sell ideas. They use the full power of persuasion of the motion picture.

So we see that our actor from Hollywood has learned new lines. He has come onto a new stage whose props are steel mills, automobile plants, chemical factories, schools and salesrooms. His supporting cast is the workman engaged in the daily drama of filling human needs. His play and persuasion is personal to each of us.

He is educating us as he sells us; entertaining us as he trains us. Motion pictures have come to work side by side with us.



Auxiliary pension plans for employees.

Employers seriously considering provisions to supplement the governmental benefits are invited to make use of our Group Annuity Consultation Service.

Plans are available for a well-rounded program.

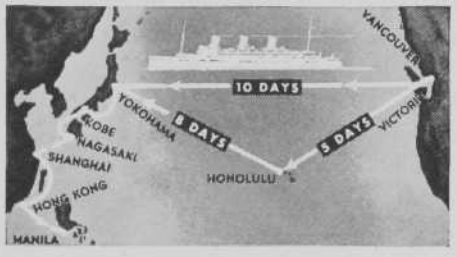
THE PRUDENTIAL
INSURANCE COMPANY OF AMERICA
EDWARD D. DUFFIELD, PRESIDENT HOME OFFICE: NEWARK, N. J.

The ORIENT in 10 days!



A hat-basket in the Philippines

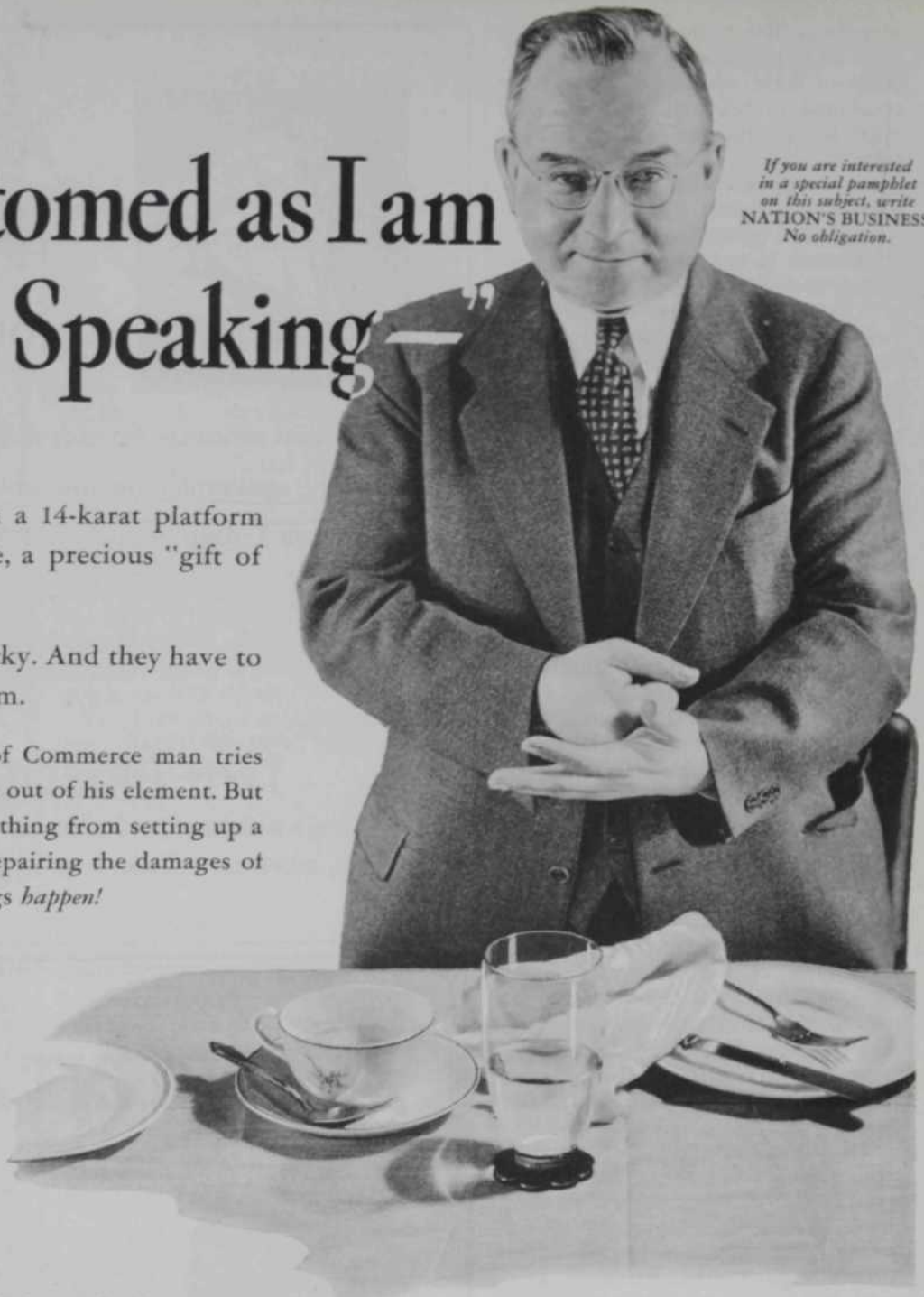
Make the trip in the royal manner—aboard de luxe *Empress* liners. The great, white *Empress* fleet holds every speed record on the Pacific. 10 days direct to Yokohama or 3 days more via Hawaii.



Canadian Pacific

For rates and sailings, see YOUR TRAVEL AGENT or Canadian Pacific: New York, Chicago, San Francisco, 38 other cities in U. S. and Canada.

"Unaccustomed as I am to Public Speaking—"



If you are interested in a special pamphlet on this subject, write NATION'S BUSINESS. *No obligation.*

SOME men are born with a 14-karat platform manner, a pipe organ voice, a precious "gift of gab."

But most men aren't that lucky. And they have to let their *deeds* speak for them.

When your typical Chamber of Commerce man tries speechmaking he is likely to be out of his element. But when there's a job to do—anything from setting up a community Christmas tree to repairing the damages of fire or flood—then, watch things *happen!*

Demonstration—not *conversation*—is up his alley. It may not hold you spellbound, but it lasts longer.

Years from now the parks and playgrounds he fought for will be enjoyed by your children—and their children in turn.

Hospitals for which he raised funds will be functioning in their work of mercy.

Smokestacks silhouetted against the sky will be as monuments to his energy and zeal in bringing new industries—and their payrolls—to town.

Some hungry family will seek aid from the Community Chest—and get it.

Skyliners will land and take off from the airport he and his fellow Chamber of Commerce members helped establish.

In countless ways through countless days ahead his work will be making your community a happier, healthier, wealthier place to live.

Being a business man he is a *busy* man. Meeting bills and payrolls, managing a business, working for community welfare does not leave much time for elocution.

You'll have to excuse him if he doesn't talk much or answer the soap-box critics—*he's got work to do!*

This advertisement is published by

NATION'S BUSINESS

It is the second of a series appearing in *The Saturday Evening Post* and other publications. (The first appears on page 83.) They are designed to encourage straight thinking about business and a better understanding of its relations with government.

If the message interests you, we are prepared to supply, upon request, copies in poster size for bulletin boards, and in leaflet form for distribution. Mats for newspaper use and electros for house organs are available.

Write NATION'S BUSINESS, WASHINGTON, D. C.

Why the World Buys American Cars

(Continued from page 32)

table indicates when American closed cars and British closed cars are compared. The American car accelerates to 50 miles an hour in 13.99 seconds, the British in 22.58 seconds. The American car is 11 miles an hour faster.

It does ever so much better going up a steep hill, yet it comes to a stop on a brake test in almost exactly the same distance.

More economy in Europe

ONLY in mileage per gallon do we find definite European superiority. However, this does *not* indicate lower efficiency, but merely lower economy and the two should not be confused. The lower mileage merely indicates the price which must be paid for a heavier (and hence more comfortable car) with correspondingly more ground friction to overcome and a larger, more commodious vehicle with correspondingly more power spent in overcoming air resistance. Were two cars, British and American, of exactly equal weight and frontal area compared, then almost exactly equal efficiencies and mileages would be found—explainable by equality of efficiency in engine, transmission, etc.

The tiny European cars, fostered by taxation based on the size of the engine and heavy taxes on the gasoline, give an entirely fallacious impression of efficiency, though they do provide fuel economy. Only if gasoline taxes went to even more exaggerated heights than at present would we be forced into the design of these midget cars.

We prefer larger cars

BEFORE 1929, energetic efforts were made to introduce such cars in the United States market. They were never successful. The mechanically minded American has a sure instinct in such matters and, besides questioning its passenger quarters and vision, knows that the very small car—however perfectly designed—provides less safety and inferior riding qualities.

There are well established engineering arguments in favor of these views, which are likewise held in England, on the Continent, in South America and elsewhere.

We conclude then that, in performance, the American car is superior to the average foreign product, in efficiency its equal, and in economy only inferior where the midget automobile is concerned. Yet there is to be found in many quarters the impression that the Europeans have the greater engineering skill. Nothing could be further from the truth.

In the matter of pure inventive ability there is little difference between the best minds of the United States and the best minds of England, Germany, France or the other great industrial countries. In the adoption of inventions or gadgets (and nothing except long service can show definitely whether a new idea is a beneficial invention or a mere gadget to be discarded at the earliest opportunity) European builders may at times proceed a little more rapidly, at least in the very highest priced cars.

Cars on a semi-custom basis

THIS is readily explainable by the fact that high priced European cars are on a semi-custom basis.

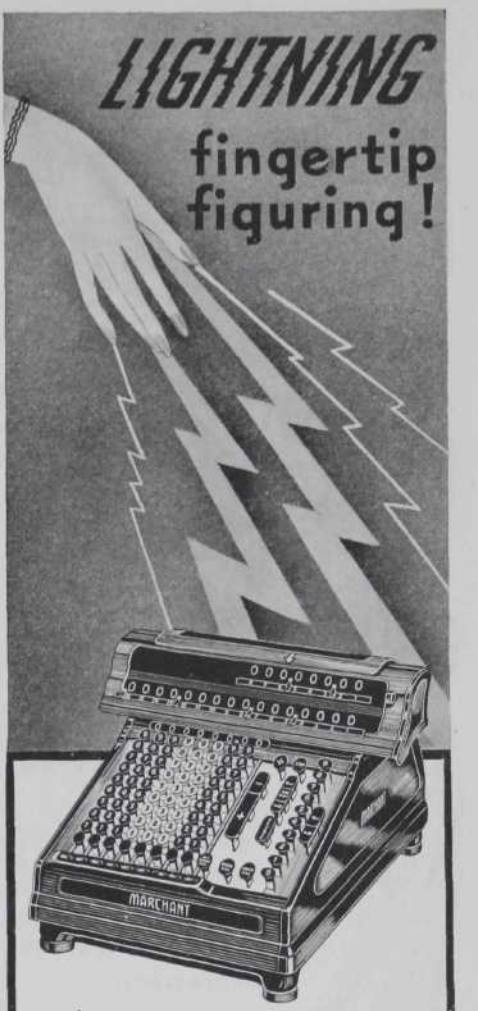
Where a few thousand cars a year are considered production and profits are to be sought in high price rather than in volume of sales, it is easier for the manufacturer to introduce a radical gadget such as a fluid transmission without the conventional gear shift.

If a Maharajah of limitless resources insisted on a car that could move sidewise, no matter what its price or complications, he would find a more sympathetic hearing in Europe than in the United States.

But when we come to the really vital and sound developments such as improved brakes or safer bodies, then the American manufacturer is much in the forefront, and in all round excellence of engineering, finish, reliability and production of an absolutely first class car at a moderate price, the American industry is a long way in the lead.

Why should this be the case when Europe has engineers of equal experience and technical skill? The answer is, first of all, that nowhere in the world are automotive research and experimentation maintained on such a far sighted and generous scale. Nowhere abroad is there a counterpart to the Chrysler research laboratories or the General Motors proving grounds.

Second, because, while the American industry is strongly competitive on a commercial basis, it has found a way of cooperating in technical development in the most generous man-



The New

MARCHANT

All-Electric *Full-Automatic*

Silent Speed CALCULATOR

One-hand keyboard control—no levers!

Fully-automatic reversible multiplication.

Automatic comparison division.

Positive electric clearance regardless of carriage position.

True figure-proof dials for all three factors, including the keyboard.

MARCHANT

CALCULATING MACHINE COMPANY

HOME OFFICE: OAKLAND, CALIFORNIA, U. S. A.

Service Throughout the World

Marchant Calculating Machine Company
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Oakland, California NB 11-37

Please send me further MARCHANT information without cost or obligation.

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20 Million Pounds of Vegetables Quick Frozen with FRICK Refrigeration

At a reduction of about one third in power costs, through the use of two-stage compressors.

That's the experience of the Seabrook Farms—Deerfield Packing Company, Bridgeton, N. J., where 20,000 acres of land are made to yield two to three crops each season.

Twelve big Frick machines carry the immense cooling and storage load. Temperatures range down to 30 degrees below zero, Fahr.

The office building at the Farms is also air conditioned with Frick Refrigeration.

Get literature and figures now on what modern Frick Refrigeration can do for YOUR business.

DEPENDABLE REFRIGERATION SINCE 1862
FRICK CO.
WAYNESBORO, PENNA. U.S.A.

ner. The Automobile Manufacturers' Association, for example, administers a cross-licensing agreement under which members have pooled 1,700 patents without payment of royalty. Through the Society of Automotive Engineers and its meetings and papers, there is the freest exchange of ideas, experience and information.

Finally, because our people simply will not tolerate the obsolescent, the industry is influenced, and willingly influenced, to pass on rapidly and unhesitatingly to an improved product. Our automobile junk piles—for which no counterpart exists in Europe—are really something to be proud of.

American cars preferred

REVERTING to statistics again for a moment, 93 per cent of all cars in Brazil, 95.6 in British S. W. Africa are American in type.

But for a more convincing proof that popular opinion abroad concedes the existence of American superiority let us turn to England, the country which gave birth to Watt and Stephenson.

Here, discarding personal knowledge of the situation, we obtained reliable and objective opinion from an English dealer, located in London and of long and unblemished reputation in the motor trade.

The English public, convinced that home industries should be encouraged, is strongly prejudiced against imported cars.

And yet the patriotic English public definitely prefers American cars because of their greater acceleration and flexibility; their greater comfort owing to better springing; their fine roadability due in part to a larger wheel base; and their smarter appearance.

It may be true that the English cars are better equipped, have superior body and paint work, and, in the higher grades, are more individual.

But the strong, and from a British point of view, sad conviction remains that it is impossible to buy a car in the £500 price range having the all-round performance of first-class American cars.

Our cars popular in England

THE views of our correspondent inspire all the more confidence, because the compliments were not all one-sided. Waving the Union Jack and crying "Buy British" in flaring advertisements, the British manufacturers are failing to check a new wave of popularity for "the big American car" which was strengthened when the Duke of Windsor, then King Edward VIII, bought two huge American limousines for Mrs. Simpson.

The results of other personal investigations reveal that public opinion favors the American car every whit as much in France and Germany.

Of course the superiority in performance and comfort would not suffice were American automobiles, hampered by transportation costs and tariffs and made by workmen earning much higher wages, to cost more than the European. But, in spite of these basic handicaps, we do achieve substantial equality of price for a far superior article. This is because in the United States alone is mass production coupled with superlative tooling. At an altogether prohibitive price, the European manufacturer can produce a few cars of superlative quality.

The American manufacturer, embracing fully the modern spirit of industry can produce an infinitely more accurate and better finished article than its semi-hand produced European counterpart in the same price range.

Automotive service facilities

W. LEDYARD MITCHELL, Chairman of the Board of the Chrysler Export Corporation, points out other elements that enter in the success of American manufacturers in marketing their cars and trucks abroad, among them, energetic sales effort, and the provision of service facilities as closely comparable as possible to those available in the home market.

He also suggests as another reason that American manufacturers are alert to the desires of their foreign customers, particularly in providing features not normally demanded at home.

Thus in England, Chrysler provided a daylight roof, bucket seats in front, and a number of other features not available in standard American models.

In the Panama Canal Zone, a combination of high temperature, frequent and violent rains and the habitual wearing of white linen suits was met in Chrysler cars by supplying a roof drip mould, at the cost of a few dollars, and relieving the automobilist of much annoyance.

The manufacturer who is tempted to ship abroad exactly what he sells in the United States may well remember that such adaptability to the needs of a foreign country need not interfere with his usual mass production methods.

It was also interesting to learn in our interview that, while millions of parts are concentrated in various European centers, the Chrysler Export Corporation did not hesitate on

several occasions to cable to New York, ship by the Hindenburg and deliver special parts within five days to the more than satisfied owner of the American automobile.

With the aid of Pan American Airways, the remotest regions of Central and South America are serviced with similar dispatch. With service stations in 107 countries, training schools are provided for native personnel, service engineers travel constantly to give illustrated lectures, native salesmen are inculcated with the American spirit, and a constant effort is made to meet local prejudices or preferences.

Special attention to selling

FROM R. A. May, of the General Motors Export Department, we obtained a similar picture of high energy and resourcefulness. Mr. May laid particular emphasis on the study of native psychology, and the recognition of the fact that anything approaching "high pressure" methods is futile in such countries as China, Japan or the South American republics. He made the interesting prediction that our automotive exports this year would approach a value of $300,000,000!

Still another reason why the automobile industry has this excellent export position is its cooperative effort in education and promotion throughout the world.

Under the auspices of the Automobile Manufacturers' Association this cooperation takes the form of promotion in which no attempt is made to advocate any one particular make of car but rather to popularize the idea of safe motor transport generally. Releases and pamphlets, issued regularly, embody the principles that made for economic use of motor transportation by agriculture, labor and industries.

Other pamphlets describe American practices with regard to automotive legislation, instalment financing, highways, traffic, service and similar subjects.

The other form of collective work is carried on by lecturers who address gatherings especially sponsored by automotive or economic bodies abroad.

Representatives of the Association have visited about 60 countries and all the principal cities of the world in this educational campaign which was begun in 1925 and has been carried on ever since.

It is this combination of engineering skill, generous research, understanding of production methods, fine service and promotion policies that places the automobile industry in an ideal situation for export work.

Guaranty Trust Company of New York

FIFTH AVE. OFFICE Fifth Ave. at 44th St. | MAIN OFFICE 140 Broadway | MADISON AVE. OFFICE Madison Ave. at 60th St.

LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

Condensed Statement, September 30, 1937

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers		$ 511,167,649.45
U. S. Government Obligations		530,451,391.54
Public Securities		44,314,572.16
Stock of the Federal Reserve Bank		7,800,000.00
Other Securities		18,907,978.25
Loans and Bills Purchased		679,155,536.17
Items in Transit with Foreign Branches		1,751,590.67
Credits Granted on Acceptances		24,948,866.18
Bank Buildings		13,323,347.87
Other Real Estate		466,524.64
Real Estate Bonds and Mortgages		3,074,802.61
Accrued Interest and Accounts Receivable		17,181,255.42
		$1,852,543,514.96

LIABILITIES

Capital	$ 90,000,000.00	
Surplus Fund	170,000,000.00	
Undivided Profits	10,657,925.52	
		$ 270,657,925.52
Dividend Payable October 1, 1937		2,700,000.00
Miscellaneous Accounts Payable, Accrued Interest, Taxes, etc.		19,257,869.96
Acceptances	$43,766,995.63	
Less: Own Acceptances Held for Investment	18,818,129.45	
		24,948,866.18
Liability as Endorser on Acceptances and Foreign Bills		5,738,992.00
Agreements to Repurchase Securities Sold		1,109,523.00
Deposits	$1,508,375,722.92	
Outstanding Checks	19,754,615.38	
		1,528,130,338.30
		$1,852,543,514.96

Securities carried at $42,401,978.52 in the above Statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, and for other purposes.

WILLIAM C. POTTER, Chairman — W. PALEN CONWAY, President

EUGENE W. STETSON, Vice-President

DIRECTORS

GEORGE G. ALLEN — Director, British-American Tobacco Company, Limited, and President, Duke Power Company
W. PALEN CONWAY — President
CHARLES P. COOPER — Vice-President American Telephone & Telegraph Company
JOHN W. DAVIS — of Davis Polk Wardwell Gardiner & Reed
HENRY W. de FOREST
ARTHUR C. DORRANCE — President, Campbell Soup Company
EDWARD D. DUFFIELD — President, The Prudential Insurance Company of America
CHARLES E. DUNLAP — President, Berwind-White Coal Mining Company
LEWIS GAWTRY — President, The Bank for Savings in the City of New York
ROBERT W. GOELET — Real Estate
PHILIP G. GOSSLER — Chairman of the Board, Columbia Gas & Electric Corporation
EUGENE G. GRACE — President Bethlehem Steel Corporation
W. A. HARRIMAN — of Brown Brothers Harriman & Co.
JOHN A. HARTFORD — President, The Great Atlantic & Pacific Tea Company
DAVID F. HOUSTON — President, The Mutual Life Insurance Company of New York
CORNELIUS F. KELLEY — President, Anaconda Copper Mining Co.
FREDERICK P. KEPPEL — President, Carnegie Corporation of New York
THOMAS W. LAMONT — of J. P. Morgan & Co.
WILLIAM C. POTTER — Chairman of the Board
GEORGE E. ROOSEVELT — of Roosevelt & Son
EUGENE W. STETSON — Vice-President
CORNELIUS VANDERBILT WHITNEY — Banker
GEORGE WHITNEY — of J. P. Morgan & Co.
L. EDMUND ZACHER — President, The Travelers Insurance Company

(Member Federal Deposit Insurance Corporation)

Trip Teasers of the Dirt Road Days

(Continued from page 28)

deposit of $100, the rest payable on delivery.

One exception must be given here. Rural mail carriers were given the privilege of buying new auto buggies upon payment of a cash deposit of $50, balance in monthly instalments of $50.

This program was probably the first experiment in selling motorized transportation on the "Easy Payment" plan.

Difficulties in production

BY mid-summer of 1907, a large accumulation of orders was on file. But few cars had been built, none delivered, because many engineering difficulties had been encountered. While it was common practice among automobile manufacturers of that day to design and build a car first, then let the buyer test its durability, none of *these* first experiments ever was delivered to a buyer.

In this instance, the small single cylinder engine was greatly lacking in power. It then became necessary to inform each purchaser that a larger, more powerful motor would be required, and that this would increase the purchase price by $50, but in return for this, he would receive a ten horsepower engine, two cylinder, opposed type, with greater pulling power, greater efficiency, smoother operating factors.

There was no way to determine then what reaction this would bring but it is a matter of record that practically no cancellations resulted. Sales actually increased.

The price, now $300 for the bare buggy "shassy"—whip socket omitted—included motor, transmission, tiller steering handle—no equipment, no accessories. Many were needed, some were indispensable. For example, a top with side curtains was $25. Of course, every buyer would want one.

Kerosene oil burning lamps for side and tail were listed in two grades, at $10 and $15 respectively. Peculiarly enough, nearly every buyer selected the $15 type. For the more esthetic driver, rubber tires were offered for $25 more. And there was the job *ultra de luxe*, providing heavier, softer cushion rubber tires for $50 extra.

Many buyers availed themselves of this superior riding facility. Then there remained one other indispensable accessory—that greatest of all automobile necessities—the brass-rubber-bulb "squeeze easy" horn.

Extras made a higher price

IT IS fair to say that most all buyers wanted and bought all of these extras. In this manner, the build-up from the original interest created by that $250 price tag in the headlines, jumped to $400 or $450 for the two passenger type and to $500 and more for the four-passenger jobs in the phaeton and carry-all models.

Then came the clamor for delivery. The company was handicapped by a crucial lack of production facilities and months passed before a single delivery could be made. Purchasers wrote letters, wired or telephoned. Still others came to the factory in person, pleading, urging, demanding their cars. These early buyers, however, were patient almost beyond imagination. Only a few cancellations followed.

Every day was visiting day at the plant and, as the general manager once said:

> It is not a problem of selling, but of delivering. If we had these motor buggies stacked up in rows like sardines on shelves, we could sell thousands every month.

Quickly, too, dealer interest began to develop. This was especially noticeable among carriage and implement dealers. It was a big venture in those days for a dealer to sign a contract to buy $20,000 worth of motor buggies. But many did it, some with their fingers crossed for fear the market might be saturated before they had sold their quota.

There were few distributors

NOT a few deals were consummated entirely by mail. Many others were closed with those who came to the factory at their own expense.

Shrewd traders, these fellows were, although their knowledge of the technical factors of this new product was at least limited as the following letter shows:

> Gentlemen Sirs: we saw your ad in the magazine for your $250 buggy machines. Please reserve the 25 counties here for



us. We want the two swilinder types of cars, with the solid steel tires on. If your proposition is open, let us know, and we'll come down to your facktory to close the deal.

Obviously, the first year's production of this high-wheeled, steel-tired machine fell far short of being the practical success which the manufacturers had hoped for and the purchasers had been led to expect. The motor lacked power, deep mud, snow or sand proved almost insurmountable obstacles. The chassis was too light to withstand the vibrations even at 25 miles an hour which the vehicle was able to develop—down hill. These first machines lacked all the elements of practical transportation.

Popularized the auto

BUT, regardless of its mechanical failures, lack of stamina, riding comfort and beauty, every buyer of one of these "wind resistin' broams" by then had become so thoroughly motor minded that he either bought forthwith an improved type of high-wheeled auto buggy or one of "them regular wind tired machines" to "tower" the country in.

That is not all. This nationwide introduction, with its accompanying publicity had, almost overnight, created an intensive, incurable desire among farmers, tradesmen, laborers, to own an automobile. Prejudice was broken down.

This company and others continued to improve and produce better, more dependable high-wheeled machines for a number of years. While this type fairly leaped into popularity, its decline was slow but sure. This was more especially true of passenger models. The commercial vehicle enjoyed a profitable sale in a few organizations for many years.

Any analysis must reveal that the early popularity and quick acceptance of the high-wheeled machine came from that inherent human instinct which carriage makers understood—presentation of a product the public wanted—a service, real or imaginary, at a price within its reach, and at an up-keep cost it could afford to pay.

This company continued production of high-wheeled machines until 1912 and, in the transitory form of a cycle car, during 1913. After that it made trucks until 1915 when the business was liquidated.

This crude contraption is a far cry from the stream-lined car of today that sells for only a few dollars more—yet all of this has transpired in less than 30 years.

It can truly be said that the magnificent automobiles, buses and transports of 1937 can trace much of their present popularity to that old high-wheeler.



KEEP THOSE TACKS "UNDER YOUR THUMB"

Another tack -- another account. Fine! But don't forget that credit risks grow with business. No vigilance can prevent casualties among your customers. No seer can predict when or where they will strike, how heavily you will be involved.

The prudent executive keeps receivables "under his thumb"; he controls credit losses by insuring the company's sales. He is sure of payment on all goods sold under the terms of the policy. Risks and fears are obviated. Morale is better. Sales increase.

For almost 50 years, Credit Insurance has proved itself the most practical and *economical* means of protecting capital and assuring profit. Modern complexities make it more desirable than ever. Consider "77-B"; Credit Insurance reimburses you on reorganizations precisely as on insolvencies.

Credit Insurance today is adaptable to all requirements: insure all accounts, special groups, non-rated debtors, individual accounts, sales by branches or subsidiaries. You'll be surprised at the low rates. Ask any American Credit representative for information.

AMERICAN CREDIT INDEMNITY CO.

of New York . . . J. F. McFadden, President

Chamber of Commerce Building . . St. Louis, Mo.

Offices in all principal cities of United States and Canada

V21

Where Are Automobiles Going?

(Continued from page 25)

oughly proved and when public acceptance appears reasonably sure. This is only good business.

A mistake as to what the public wants and will buy in the automobile field is one of the most expensive errors conceivable in any business. That is why leading manufacturers spend hundreds of thousands of dollars annually learning what automobile owners and prospective owners want.

Seeing to it that the motoring public tells them what it wants is considered of equal importance with telling the motoring public what is being offered. There is little guesswork concerning public acceptance of a new model presented by a large manufacturer. Public wants and whims have been studied intensively in advance. It would cost too much to be wrong.

This naturally leads into the question of the car of the future. Automotive engineers are agreed that the future automobile will make the present models look as antiquated as the old models do now.

In this connection it is interesting to note that, as far back as 1903, no less a personage than Andrew Carnegie had this to say about an automobile then popular:

> We are greatly pleased with our new Winton. From the very start it has done its work and never failed us. There may be improvements yet to come even in such autos, but it is difficult to see much room for them.

Incidentally, Mr. Carnegie paid $3,500 for that car. It had no self-starter, no balloon tires—not even electric lights. The cheapest car on the market today is so infinitely better than that 1903 model that there can be no possible comparison.

The future motor car

CHANGES will depend upon many conditions—roads, parking facilities, fuel, and a hundred other things. Recently Charles F. Kettering, vice president of General Motors in charge of research, asked a long list of men in the automotive industry about the future of automobiles. While their answers gave no clear picture of the automobile of ten, or even two, years from now, they did throw light upon many of the problems that must be faced and overcome as the motor car develops.

For one thing, it is estimated that, by 1960, there will be 37,000,000 motor vehicles on the roads and streets of the United States. This will make necessary a vast improvement and development of highways. It will make necessary a real improvement in parking conditions and traffic control.

Mr. Kettering found almost unanimous agreement that the motor car will be responsible for a continued trend of population away from congested areas. Traffic congestion and the problem of parking are expected to have the greatest influence in this direction. Automobile men are pretty well agreed that cities must eventually prohibit parking in the streets, that all of the street area must be used for travel only. Municipal parking lots and skyscraper garages may be the solution.

Many believe that the limit in practical speed of automobiles has about been reached. Intensive research among users has revealed that most people do not want to travel more than 60 miles an hour. Some experts, however, believe that, as roads and cars improve, higher speeds will be demanded.

Highway improvements to make higher speed safe would necessitate elimination of grade crossings, limited access, separate lanes, and bypasses around cities.

Looking at the automobile of the future, Mr. Kettering thinks acceleration probably will increase and that this will affect the timing of traffic lights. With increased acceleration, the ability to stop becomes even more important. This involves improvement in brake equipment, improvement in tires and improvement in highway surfaces.

Mr. Kettering's research revealed an opinion that the size of passenger cars will not change much. It was pointed out that, after all, size is governed mostly by the space required for passengers.

It was predicted that tires would be continually improved with longer wear and more safety being continually built into them.

Hazards in night driving

ONE of the most serious problems facing automotive and highway engineers is that of night driving conditions. Most experts agree that night driving is three or four times as hazardous as daytime driving. Illumination of main highways may be a partial solution.

Engineers are working constantly on the problem of equipping cars with efficient lights that do not glare. Numerous ways have been suggested but the problem still remains a serious one.

It was unanimously agreed that the use of trucks and busses will increase. Busses now supply passenger service to 48,500 communities in America which are not served by rail lines and are totally dependent upon highway transportation. The trend in busses has been toward larger units but of



HAROLD M. LAMBERT

The automobile owner probably pays more taxes in proportion to investment than anybody else—and he complains less about it

NEW FANFOLD MACHINE

Burroughs



ELIMINATES ALL NEEDLESS COSTLY MOTIONS

Users of fanfold machines are amazed at the simple, automatic action of this remarkable new Burroughs Fanfold Machine.

They quickly realize that it cannot waste costly time—that it does not waste physical effort.

See for yourself how it will enable your operators to sustain high-speed production with much less effort, thereby lowering your costs of handling fanfold or continuous forms of any kind. Ask for a demonstration.

BURROUGHS ADDING MACHINE COMPANY
6011 Second Boulevard, Detroit, Michigan

JUST TOUCH ONE KEY—

Carriage Opens *Automatically!*

Forms are Released *Automatically!*

Carriage Returns *Automatically!*

Carbons Shift *Automatically!*

Then—as the operator removes the completed set of forms—

New Forms Lock in Place *Automatically!*

Carriage Closes *Automatically!*

THE MACHINE —NOT THE OPERATOR— DOES MOST OF THE WORK

DETECTION
PROTECTS YOUR PROPERTY FROM
FIRE & CRIME



Insurance protects your values. It reimburses you only after something happens. It does not repay for the loss of time, orders, sales and records that a fire entails.

Burglary and trespass are always present. Crime shows no sign of decrease.

Business must add the element of detection that stops the occurrence of these losses—and the simplest, most efficient way is by watchmen, properly checked by a supervisory system. And the simplest, most efficient way of supervising the watchmen is a Detex Watchclock System, as evidenced by 50,000 now in use.

Ask Detex to supply information on a thoroughly modern system that will fit your present needs.

DETEX WATCHCLOCK CORPORATION
4153 Ravenswood Ave., Chicago, Ill.
29 Beach Street, Boston



DETEX

80 Varick Street, New York
NB-11 Room 800, 116 Marietta St., Atlanta

A TRIP TO
WASHINGTON
Business man . . . socialite . . . diplomat . . . Government official . . . are alike satisfied living at "The Residence of Presidents"
H. P. Somerville, Managing Director
The
WILLARD HOTEL

ACCOUNTANTS!
Save time; increase your ability to handle new problems, modern conditions
with this famous 1,740-page handbook of latest expert practice, from simple bookkeeping to higher accounting. Helps you display the kind of skill that wins recognition and advancement. Guides you in prompt, practical handling of any situation, everyday or emergency. Principles, procedures, forms, controls, systems, reports, audits, etc.—31 big sections complete in one handy volume—the ACCOUNTANTS' HANDBOOK.
Nothing else like it. Widely used by executives, credit men, bankers—over 140,000 bought. Editorial Board of 70 experts. Content would fill 10 books.



FREE Mail coupon below for sample section and facts about Handbook; for prompt reply we will also send FREE Handsome Pocket Memo Book designed for accountants and financial men. Contains valuable tables, short-cuts, and everyday business data.
Send for Sample Section

Clip and mail this form
THE RONALD PRESS COMPANY Dept. M 126
15 East 26th Street, New York, N. Y.
Send me the 32-page sample section of the Accountants' Handbook and information about this famous volume, together with FREE Pocket Memo Book.
Name (please print) .....
Address .....
City ..... State .....

considerably lighter weight. Development of light, tough metals has made this possible.

While even truck manufacturers agree that these vehicles will not supplant railroads, their use has grown tremendously. In 1936 there were 4,023,606 trucks registered in the United States.

Any discussion of trucks brings up the subject of the recent rapid development of the Diesel engine. Passenger cars powered with Diesel engines are not in sight at present, but increasing use of these engines for heavy hauling is certain.

Everybody has been talking about house trailers. A conservative estimate places the number of such trailers produced and to be produced this year at 35,000, a small figure compared with automobile production. One can start an argument almost anywhere over the subject of the trailer. Is it just a passing fad or will half the population soon be living in trailers? The answer is that nobody knows.

If the business continues to grow, it will soon be necessary for public officials to give more attention to the problem of where and how long they are to be parked. Some cities already prohibit the use of trailers for homes within their limits.

The problem of taxes

NO discussion of this kind would be complete without bringing in the subject of taxes. The automobile owner probably pays more taxes in proportion to investment than anybody else—and he complains less about it. One thing about which he does complain, however, is the diversion of taxes collected for highway improvement to other purposes.

The motorist looked upon the gasoline taxes, assessed as a kind of toll for using the roads, as fair. But in some communities the temptation to use this money for other purposes was too great to be resisted. Now nearly 16 per cent of taxes paid by motorists goes for other purposes than maintenance and construction of highways. Besides gasoline taxes, motorists must pay license fees in varying amounts, state sales taxes, federal excise taxes and personal property taxes. In fact, the tax per motor vehicle has increased 72 per cent in ten years.

In 1936, it is estimated, motorists paid an average of $51.30 a car in taxes. In fact, motorists paid one in every seven tax dollars. They paid 75 per cent of all federal excise taxes. They paid as high as nine cents a gallon gasoline taxes. In addition, trucks and bus owners paid many millions in special taxes.

However, for the time being, at least, neither taxes nor labor troubles, nor rising prices have succeeded in killing the goose that lays the golden eggs of American industry. The automobile business again is looking forward to a more or less happy New Year.

The Search for NRA's Successor

(Continued from page 35)

of that compulsion have survived in the trade practice field.

Perhaps typical of successful standards are those that have been in operation for some years in the retail furniture trade in New York City. Of the 28 points covered, applying to the advertising and selling of all household furnishings and appliances, including radios, refrigerators, washing machines, electric stoves, vacuum cleaners, virtually all deal with those practices which must always remain in the "twilight zone," regardless of how specific law may attempt to be.

Reliability is their keynote. They cover the entire range of merchandising claims, including the disparaging of competitors, bait, free and gift offers, prices and descriptions, trade-in allowance, money back guarantees, free trial offers, one-half price, liquidation and going out of business sales, imperfect and used merchandise, floor samples, factory to you and credit terms. Perhaps the most important of all these standards deals with the headlines, the layout and the relative position of illustrations and text in the advertising used by the trade.

No matter what law may be passed attempting to control a human activity, ways can be found to circumvent it, at least in part, provided the desire for evasion exists.

Likewise, where the desire really exists, a stand for fair play can be obtained voluntarily under circumstances that would defy Government compulsion.

There are innumerable instances where great business houses have voluntarily published corrections in their newspaper advertising as a result of an appeal to reason and conscience, which business possesses just as much as an individual. The essence of these public avowals is found in a quotation from one such statement, made by a prominent New York furniture retailer:

> We believe in truth, "the cornerstone of all honorable and successful business." On this cornerstone we strive to build our business and faithfully to serve our customers.

"Driving" Business Away

(Continued from page 82)

when the low bidder, working in his neighborhood, had parked his truck in such a manner as to block the new builder's driveway! Just a case of reverse advertising.

There are cases of positive advertising with trucks. A wedding floral display went to a florist in our village because his driver had stopped one day to give a lift to a lame woman—and the bride's mother remembered it for six months and showed her approval. A druggist's delivery boy stopped to give an injured boy first aid and then took him home—and the druggist still collects dividends.

But most road advertising is negative. A grocer's truck crowds a passenger car—and the grocer loses a customer. A salesman, with his car blazoned with the company sign, misjudges a parking-space and scrapes a fender—and the manufacturer wonders why he loses an important contract a month later. A drive-away truckload of cars blocks a narrow road for three miles—and a fleet order goes to a competing make.

It isn't logical. The driver of this drive-away truck worked for a trucking concern—but the disgruntled purchasing agent behind him only remembered the name of the cars.

Good or bad impressions?

RIGHT now, your trucks are making an impression on some people. Is it an impression of which you will be proud? Or are they storing up subconscious grievances in the minds of possible customers that will leap out and strangle some of your best sales promotions?

There is no cure-all for this. It calls for careful thought and effort. Generally speaking, careful attention to the rules of good driving and politeness in driving (by which I mean observance of other people's rights—not bowing and scraping) and only a necessary amount of profanity in the right places is the sovereign remedy for bad advertising on the road.

The hardest cases to forget are bullying—by means of the superior weight and damaging possibilities of big trucks—and disregard of the cardinal rules of the road. Accidents and near-accidents that must occur from time to time seldom impress the wrong way if your truck stopped for the sign and didn't cross in front of the man with the right-of-way.

Anyway—your trucks are advertising you. How?



Give your business and social friends a surprise and a real taste thrill. Your fellow directors, customers, cronies at the club will get plenty of cigars and Scotch; but *your* gift will be a real treat, long remembered, if you let us send, with your compliments, big handsome boxes of Royal Riviera Pears, mammoth in size and fairly bursting with juice.

"Most Delicious Pears I Ever Tasted in My Life"—J. H. P., NEW YORK

We formerly shipped our entire crop of these rare pears to London and Paris, where leading hotels serve them at about 75 cents each. Then we suggested them to a few business executives as an unusual Christmas gift. The plan has been so successful that last year thousands of boxes were used as gifts by officers and directors of important firms all over the country. In fact, our list of customers read like a blue book of American industry. And you should read the letters of enthusiastic praise that came back!

"Words Cannot Express the Delight of Our Friends"—N. E. W., DETROIT

Royal Rivieras are the rarest of all pears. They grow in only a few places in the world and one of them is right here in the Rogue River Valley, where the rich soil, the gentle rains, and the days-on-end of glorious Oregon sunshine coax them to their mammoth size, gorgeous beauty, and delicious flavor. The crop was never finer than this year—your friends will all say they never saw such marvelous fruit in all their lives. Every pear is handled as carefully as an orchid. They are picked with gloved hands, tissue wrapped, nestled in protective packing, and shipped in handsome gift boxes with your greeting card enclosed. They'll be sent anywhere in the United States proper, wherever there is an express office, express prepaid, to arrive on the date you name.

"Every Box on Time, in Perfect Condition. Recipients Delighted"—A. W. S., WASHINGTON, D.C.

Make up your list right now—include your banker, lawyer, doctor, branch managers, salesmen, customers, prospects, relatives—and don't forget a box for yourself! "Medium Family" boxes (shipping weight 10 pounds) are only $1.95 each. "Larger Family" boxes (double the quantity of pears) are $2.95. If, after eating your first Royal Riviera, you and your friends don't say these are the finest pears you've ever tasted, simply return the balance at our expense and your money will be refunded. The First National Bank of Portland, Oregon (Medford Branch), knows all about us and will vouch for us and our money-back offer.

BEAR CREEK ORCHARDS · MEDFORD, ORE.



Bear Creek Orchards, Box 1314, Medford, Oregon.
Send Royal Riviera Pears to the list attached, all express charges prepaid, to arrive (date)..... Enclose a gift card bearing the following:

From .....

....."Medium Family" boxes (shipping wt. 10 pounds) at $1.95 each.

....."Larger Family" boxes (double the quantity of pears) at $2.95 each.
(No C.O.D. or Parcel Post orders accepted)

I enclose check (or money order) for $.....

Name.....
(Name of person sending order—please PRINT plainly)

Street.....

City..... *State*.....

Prices Outside U.S.A. Proper

Honolulu, $2.25 and $3.25 | Calgary, $3.06 and $4.34 | Winnipeg, $3.36 and $4.76 | Montreal, Ottawa, $3.66 and $5.18
Vancouver, $2.90 and $3.95 | Regina, $3.25 and $4.60 | Pt. Arthur, Toronto, $3.55 and $5.02 | Quebec, St. John, $3.72 and $5.26



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Model 2242
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Faries Guardsman lamps are new, modern, and extremely efficient. Due to their patented design, they are free from glare and annoying shadows. They shed a bright yet restful light, having the texture of daylight, scientifically redirected with proper intensity to all points on the lighted area. Users experience relief from eye-strain and fatigue.

These lamps will dignify and harmonize with other furnishings, while their finishes of electroplate over brass keep them looking new.

Enjoy Guardsman comfort today! If your dealer cannot supply you, please write us.

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DECATUR, ILLINOIS



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415 Stewart Block Cincinnati, Ohio

Stewart IRON and WIRE FENCES
World's Greatest Fence Builders Since 1886

The Taxpayer Pays the Doctor

(Continued from page 70)

venture is receiving widespread attention from other governmental agencies. Inquiries are coming in every day, indicating that it probably will spread throughout the Government. Mr. Penniman says philosophically that, if it spreads, it will be a sign that it is a good thing. That it will spread inevitably is assured by the fact that employees in other governmental departments will demand that the taxpayers also defray from one-third to one-half of the cost of their medical and hospitalization cost.

If the Federal Home Loan Bank Board can set aside $20,000 a year for this purpose, every other agency in the Government can do the same thing. Furthermore, if $20,000 can be allocated for socialized medicine, the amount may be increased to absorb the entire cost. Then, too, if 2,000 employees of the Federal Home Loan Bank Board are entitled to medical service at public expense, what about all the 800,000 federal employees? That is one of the demands of the United Federal Workers of America, an affiliate of the CIO, which has undertaken to organize the 800,000 federal workers.

Dentistry may be next

NO clinic is complete without adequate dental facilities. Mr. Penniman says "The Group Health Association" proposes to include dentistry later on. A great deal of illness is traceable to the teeth. Just at present it is not advisable to offer complete dental service, Mr. Penniman says, because nearly every one would take advantage of dental service if it were free and rush to the dentists, and it would not be possible to hire enough dentists to do all the work immediately. But that will be provided. While the Federal Home Loan Bank Board hesitates, there is no reason why some other governmental agency should not overcome its chagrin at not thinking of it first and offer complete medical and dental service at public expense.

The ultimate purpose is to extend medical and dental service to every one. Government employees did not ask for it. It was offered to them. Since the taxpayers are required to provide the service to federal employees, a natural development is for the service to be extended to all the people. That is the way it started in other countries.

The excuse here, as it was in Germany where socialized medicine had its start 50 years ago, is that the additional expense really doesn't cost the taxpayer anything. In return for his outlay he has stronger, healthier and more efficient workers.

But the experience in Germany was that the budget for sick insurance rose at the rate of 200,000,000 marks annually. From 660,000,000 marks in 1913, the budget grew to 2,330,000,000 in 1929. The reason is that dread of sickness is an obsession with most persons. It provides an ideal string for the planners to play on. The record in Germany shows that the doctor, under socialized medicine, was consulted a dozen times where once would have been sufficient.

With the dues paid and a doctor handy, excessive overdoctoring results. A few years ago it was revealed in Germany that four times as much money was used for 35,000,000 persons in insurance as for 30,000,000 uninsured.

In Germany in 1930 there were 36,000 panel doctors and 32,000 bureaucrats directing the doctors. In 1936 there were 32,000 doctors and 36,000 bureaucrats. With all the evils of socialized medicine, the power of suggestion, pretenders and development of hypochondriacs, that is only part of the story. It means the beginning of bureaucracy in another of its flagrant forms. It is now in the incipient stages. It is no new discovery. There is nothing novel about it. There was no necessity for experimentation. The experience of Germany is sufficient to condemn it. It is not an experiment but an importation of a gigantic failure, a monstrous scandal with possibilities for being infinitely worse in this country than it ever has been anywhere else.

England has hundreds of medical Approved Societies, with some 5,000 branches. These self-governing groups are usually formed by persons already associated in political, fraternal, labor or religious societies. It was assumed that the panel doctors in these societies would detect disease in its early stages and thereby reduce the tremendous financial loss to workers and industry from illness. A survey revealed that, in 1933, the loss through sickness had increased to 12½ days per worker from nine before health insurance. The record in Germany was much worse. In the 50 years of the system there the annual loss from sickness increased from 5½ days to 28. In the United States the loss has remained the same, 6½ days, for 25 years.

Of 2,008 Germans ordered to final

examination to determine if they were fit to work, 816 decided they had recovered and 289 were found to be well. On reexamination of 468,000 persons in England in 1934, 179,000 were found sick and 289,000 were found to be well. That would indicate that one of two things is true: Either the panel doctors accept the word of the patient that he is sick, or the power of suggestion of medical insurance makes him sick.

Like the camel and the tent

LIKE all other devices inaugurated by the bureaucrats, socialized medicine appears as a cloud no bigger than a man's hand. The planners' first reaction is to deny that there is anything socialistic about it. They say it is a voluntary association of employees who have banded together for mutual health protection. Then that position is immediately abandoned, by defending the allocation of public funds to provide approximately one-half the cost at the outset, and contending that the governmental expenditure is money in the taxpayers' pocket.

In the natural course of events many other federal agencies will follow the example of the Federal Home Loan Bank Board. They may, and probably will, devise an even more attractive plan for their members at increased governmental expense. As these health groups increase and multiply, the next step will be to consolidate them "in the interest of economy."

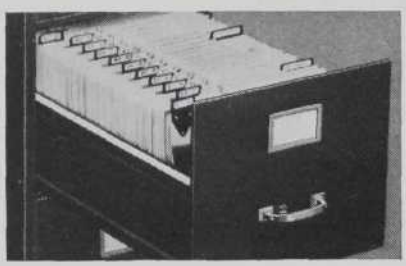
It would be impractical and illogical to have several hundred clinics, as many as 11 directors from each agency, an organization of doctors, nurses, inspectors, supervisors, accountants, clerks and secretaries for each separate unit. The planners would suggest consolidation to save overhead and duplication.

An average expenditure of $10 per employee for the entire 800,000 would cost the taxpayers only $8,000,000 a year and probably result in a substantial reduction in the cost to the members if they were all brought under a single organization. That, of course, does not include the cost of overhead. Should it prove as efficient as it was in Germany after 50 years of study, the bureaucrats would outnumber the doctors by many thousands.

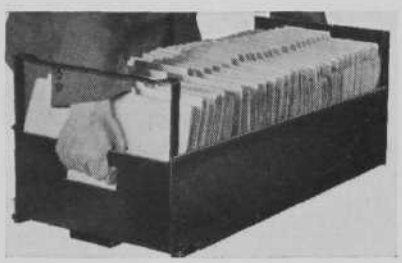
The planners think, no matter how many millions of dollars it costs, increased efficiency would be well worth it. Perhaps it is better to look on that side of the picture than to consider the possibility of increasing loss of time from work under public medical insurance to a point where it is four times as great as it is among the uninsured.

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The Forgotten Saver

(Continued from page 30)

in any case, how can any person have security unless he saves something? How else are all the unexpected and expensive emergencies of life to be met? The word security carries with it a fine ideal, but it is no different from that of the old fashioned word "savings." There can be no security without savings.

True, we have, in the Social Security Act, a vast new piece of machinery which for the first time compels people to save. Through the compulsory contributions of employers and employees, a great army of small employees will in the future receive benefits in periods of unemployment and in old age. This should prevent a great deal of suffering.

Compulsory *vs.* voluntary saving

BUT whether compulsory saving will accomplish as much as voluntary saving we do not know as yet. Perhaps it is better to tax a man and thereby force him to save than for him not to save at all. But certainly the process has no such character building effects as does voluntary saving.

But no young man feels any sense of pride in having his wages taxed to build up a social security reserve in the U. S. Treasury. The process involves no volition on his part, no exercise of will power, no purpose, no initiative, no family protective instinct, no voluntary self-sacrifice.

Some 25,000,000 people are suddenly told by an all-powerful Government, "Here, hand me over part of your weekly pay envelope, whether you want to or not, and you shall be given a number and kept from starvation when you are old, or for a few weeks when you are out of work."

But, even if the Social Security Act does force a great many people to save, the good effect is largely offset by numerous other policies and practices of Government. I refer to the many different kinds, bewildering in their variety, of Government relief, aid, subsidies and projects. Whatever good there may be in all these measures, the net effect has been to make people look more and more to the Government for their living and support.

It is impossible to exaggerate this present attitude. Hardly a day passes in which the newspapers do not tell us of recipients of Government bounty, holding jobs created for them by WPA, who are engaged in loud protests or even strikes. Even though on relief they feel that they have a vested interest in their jobs, looking upon relief as a permanent career.

Indeed, there are constant reports that farmers and contractors cannot get help because workers would rather have relief than hold jobs.

Groups of citizens march hourly upon Washington to demand that the Government do more and more for them. No matter how many billions are appropriated for "projects" the states and cities demand still more, and maintain a lobby in Washington to see that they get it. Senator Glass has said that governors and mayors "exhaust their ingenuity in the effort to secure projects to teach people art, music and how to play golf."

Nor do even such widely supported institutions as the public schools and the public libraries fail to demand their "share" of federal aid. Despite the fact that the Government has lent billions of dollars to farmers, home owners and others at low rates of interest, there is an insistent demand that the rate be still further reduced.

Political, economic and social life in this country has degenerated largely into a scramble to get more and more federal aid for every conceivable purpose.

Thus the whole emphasis is being shifted from what the individual can do for himself by saving and other efforts of his own to what the Government can do for him.

But can any one living in this country be so abysmally ignorant as to suppose that the Government creates "mass welfare" out of thin air? What it pays out for "projects," it seizes in turn from the people—much of it from the common people—in the form of taxes upon the necessities and luxuries of everyday life.

But what has all this to do with the forgotten saver? Well, if the Government is to support those who really need help, it is absolutely essential that someone should support the Government. Unless we have a large group of people who have accumulated savings we have decidedly fewer who can really afford to pay taxes.

To the extent also that individuals can be induced to assume their own responsibilities and obligations, and this is only another way of describing those who have saved something, there should be a reduction in the burden of taxation which eats so deeply into the incomes of rich and poor alike.

This would seem to be the time of all times in American history when the virtues of individual thrift, instead of being sneered at in high places, should be extolled.

NOW... *Year Round Comfort*

AT GIMBEL BROTHERS, PHILADELPHIA



Carrier
Air Conditioning

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ARTHUR C. KAUFMANN

A GREAT department store moves to the cool mountain tops in summer, to the sunny Southlands in winter! Gimbel's, Philadelphia, accomplishes this feat with Carrier Air Conditioning!

Step into the Subway Store, or any department on the first, second, third or seventh floors, and you'll forget that summer heat and humidity ever existed—for the air is cool and clean, free from the excess moisture that made you feel so "sticky." Visit Gimbel's in *cool* weather, and you'll discover a new comfort—made possible by modern heating combined with healthful humidification, ventilation, and gentle circulation.

"I would like to show you the many complimentary letters which we have from our customers; this has also been reflected in the morale of our staff" writes Arthur C. Kaufmann, Executive Head of Gimbel Brothers. And good reason! . . . for the Carrier System embodies knowledge gained through more than 35 years devoted *exclusively* to air conditioning, plus experience gained in making installations in 99 countries of the world. Installations in the department store field *alone* include such other leaders as Gimbel's, New York; Filene's, Boston; J. L. Hudson's, Detroit; Joseph Horne Co., Pittsburgh.

Your local Carrier representative will tell you how easy it is to enjoy Carrier Comfort in your home, your office, your place of business, your factory . . . *anywhere!*



FINISHED! Attractive Carrier Grilles diffuse the conditioned air—quietly and without drafts.

AT LEFT: Carrier Centrifugal Refrigeration provides cooling equal to melting 1200 tons of ice each day.

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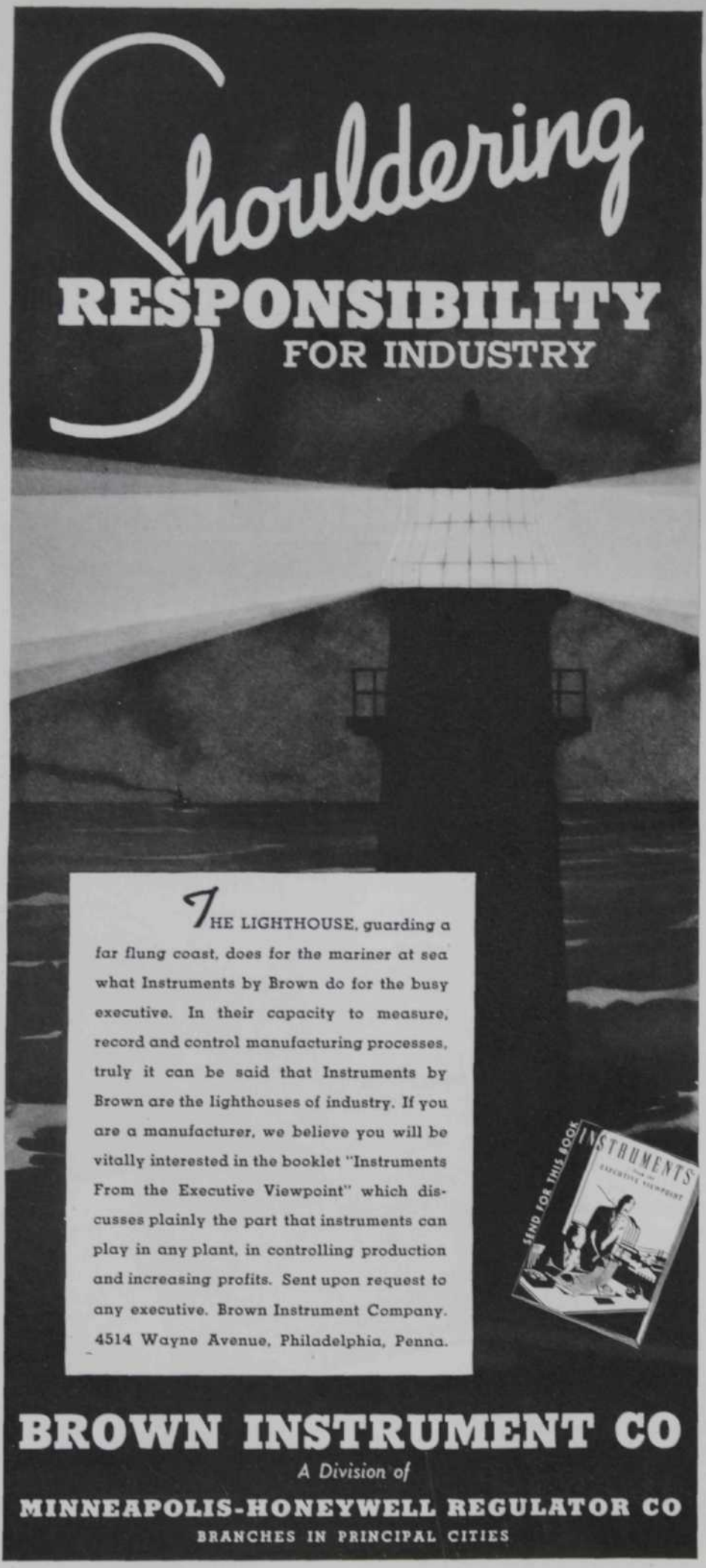
Please send me, without obligation, complete information on Carrier Air Conditioning for my ☐ store; ☐ office; ☐ factory; ☐ home.

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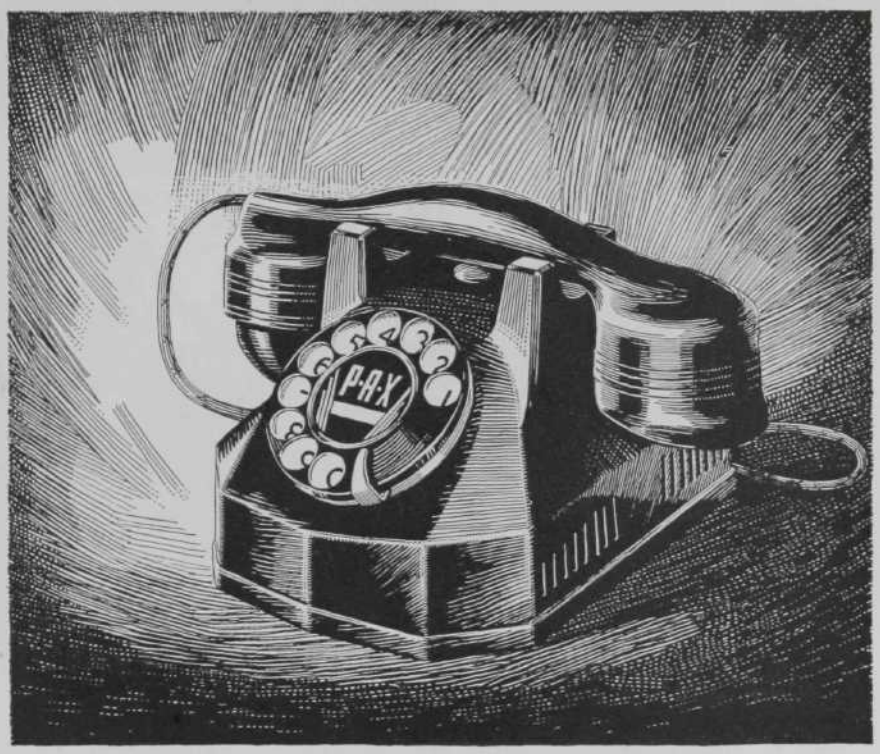
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BRANCHES IN PRINCIPAL CITIES

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Focusing the attention of the middle west upon better use of natural resources.

Building good will between city and country.

Under expert direction, tests covering a wide range of agricultural problems are conducted—crops, soils, dairying, animal husbandry, pest control. Experiments are made to improve the quality of familiar crops and to explore the possibilities of those not previously grown in the middle west. Many crops have been planted for the first time in America as part of the Tribune's program of developing new products of commercial value to the farmer.

Experimental farm activities are reported in a daily article by the Tribune agricultural editor. This is done so that information of value to farmers and to all others interested in farm products may be disseminated as quickly and as widely as possible.

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Chicago Tribune
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OLD OVERHOLT—Pennsylvania straight rye whiskey, and **OLD TAYLOR**—Kentucky straight bourbon whiskey . . . both bottled in bond under U. S. Government supervision, full 100 proof.

LANSON CHAMPAGNE—alcohol 13% by volume . . . **BUSHMILLS WHISKEY**—produced in Ireland, 9 years old, 90 proof.

MONNET'S COGNAC BRANDY—86 proof . . . **GILBEY'S GIN**—distilled from 100 per cent grain neutral spirits, 90 proof.

A distinguished member of a distinguished family is Old Grand-Dad, a name you'll find in the "Who's Who" of noble whiskies back through the years...a bottled in bond Kentucky straight bourbon that you'll relish for its irresistible taste, so different that you can't mistake it—not even in the dark. This patriarch of superb bourbons belongs to that aristocratic family of whiskies, brandies, wines and liqueurs that bear the seal of National Distillers.

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HE DARED TO ENTER THE FORBIDDEN INTERIOR OF CHINA



The adventures of James L. Clark—scientist, explorer, and vice-director of one of America's largest museums

IN SEARCH of rare animals, James Clark led his expedition across the desert wastes of inner China—a journey of over 3,000 miles beset with incredible hardship and hostile natives. As Mr. Clark says: "I've had my share of nerve-tensing danger and tough going—times when Camels come in handy. I wouldn't be without Camels on my expeditions. It's amazing how quickly my vim comes back when I smoke a Camel after an exhausting trek. And Camels never upset my nerves."

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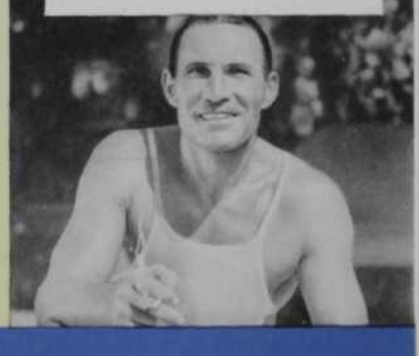
"**HOUSEWORK** takes plenty of energy too," says Mrs. Robert Fennimore. "When I get to feeling tired, I light up a Camel—get a wonderful 'lift' in no time."



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SWIMMING over 25 yards under water is exhausting. Claude Newberry went 72 *yards!* He says: "How I prize the 'lift' I get with a Camel after swimming!"



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GET A LIFT WITH A CAMEL